
NORTH AYRSHIRE COUNCIL

27 September 2022

Cabinet

Title: Revenue Budget 2022/23 : Financial Performance to 31 July 2022

Purpose: To advise Cabinet of the financial performance for the Council at 31 July 2022.

Recommendation: That Cabinet agrees to:

- (a) note the information and financial projections outlined in the report;
- (b) approve the earmarking of £0.486m identified at 2.5 to meet future year commitments;
- (c) note the latest financial projection for the Health and Social Care Partnership highlighted at 2.6;
- (d) approve the virements detailed in Appendix 7.

1. Executive Summary

- 1.1 The General Services Revenue Estimates for 2022/23 were approved by Council on 2 March 2022. The Housing Revenue Account (HRA) Revenue Budget for 2022/23 was approved by Council on 16 February 2022.
- 1.2 As part of the monitoring procedures to keep the Cabinet informed of the financial performance of the Council, financial performance reports are presented on a regular basis. This is the first report for 2022/23 and covers the period to the end of July 2022 (Period 4). Projections have been made to the year-end.
- 1.3 At Period 4 the General Fund is forecasting a net breakeven position after transferring resources from earmarked reserves. In particular, the sum of £1.644m in respect of anticipated increases in contractual and non-contractual energy and fuel costs, earmarked as part of the 2021-22 closure of accounts, has been transferred to address the additional costs.
- 1.4 The Housing Revenue Account is forecasting a net in-year underspend of (£1.219m), (2.2%).
- 1.5 The Health and Social Care Partnership is projecting a year-end underspend of (£0.389m), (0.1%), for 2022/23. The Council services element is reporting a projected underspend is (£0.661m), which is partly offset by a projected overspend in relation to the Health services element of £0.272m over the same period.

- 1.6 Significant risks to the reported position have been identified arising from inflationary pressures in relation to energy costs and essential commodities, including food and vehicle fuel, and the ongoing negotiations around the 2022-23 local government pay award. The impact of these in terms of the utilisation of Council reserves and knock on effect on future budget gaps will continue to be monitored and reported to Cabinet as appropriate.

2. Background

General Fund

- 2.1 The Council set a breakeven budget for 2022/23. In addition to the budget approved on 2 March 2022, earmarked funds of £31.875m were carried forward from 2021/22 for service expenditure in 2022/23 and are reflected in the figures within the 2022/23 financial performance reports as they are drawn down.
- 2.2 Current financial projections indicate that a net breakeven position, net of transfers to/from reserves, is anticipated for the year to 31 March 2023.
- 2.3 Details of the current financial projections are summarised in the following table:

	Appendix No	Annual Budget £000's	Projection to 31 March 2023 £000's	Projected Variance for year (Fav)/Adv £000's	Note
Service Expenditure					
Chief Executives	1	19,576	19,571	(5)	
Communities	2	152,083	152,083	-	(i)
Place	3	67,537	69,346	1,809	(ii)
Other Corporate Services	4	34,915	32,664	(2,251)	(iii)
Sub Total		274,111	273,664	(447)	
Health and Social Care Partnership	8	115,952	115,952	-	2.6
Balance for Services		390,063	389,616	(447)	
Financing Charges	5	12,396	12,396	-	
Contribution to Loans Fund Reserve	5	3,301	3,301	-	
Total Planned Expenditure		405,760	405,313	(447)	
Planned Income					
Aggregate External Finance	5	(340,331)	(340,331)	-	
Council Tax	5	(62,260)	(62,299)	(39)	
Use of Earmarked Funds	5	(3,169)	(3,169)	-	
Total Planned Income		(405,760)	(405,799)	(39)	
Net Expenditure/ (Income)		-	(486)	(486)	
Carried Forward Funds		-	486	486	
Revised Net Expenditure/(Income)		-	-	-	

2.4 The reported Planned Income includes a number of adjustments to Scottish Government funding from that included in the approved budget, as detailed in the following table:

	General Revenue Grant £000's	Non Domestic Rates £000's	Specific Grants £000's	TOTAL AEF £000's
Planned Income				
Approved Budget 2 March 2022	(260,648)	(37,575)	(20,057)	(318,280)
Movements:				
Music Tuition	(195)			(195)
Curriculum Charges	(186)			(186)
Adult Social Care	(606)			(606)
Easter Study Support	(137)			(137)
P4/P5 Universal Free School Meals	(990)			(990)
Holiday Free School Meals	(712)			(712)
HSCP Funding	(5,607)			(5,607)
DHP	(2,550)			(2,550)
Scottish Child Payment Bridging	(1,541)			(1,541)
Self Isolation Admin Grant	(23)			(23)
Cost of Living Awards	(7,019)			(7,019)
Summer Holiday Provision	(324)			(324)
Whole Family Wellbeing Fund	(959)			(959)
Pupil Equity Fund Brought Forward			(1,202)	(1,202)
				-
Revised Planned Income	(281,497)	(37,575)	(21,259)	(340,331)

2.5 Commentary on Significant Movements from the Approved Budget

The Council's overall financial forecast against the revised budget is a net breakeven position. A brief explanation of the significant movements from the approved budget are outlined as follows:

(i) Communities – breakeven

The breakeven position reported to 31 July 2022 reflects a range of overspends and offsetting underspends across the services. These are primarily related to:

- A net underspend in relation to Employee Costs, (£0.341m) primarily related to vacancy management within the Connected Communities service;
- Lower than anticipated expenditure on external day placements, (£0.316m), resulting from the assessment process within ASN; and
- Increased income, (£0.175m), related to PPP insurance and contractor penalty charges.

These have been partly offset by:

- Increased expenditure on Supplies and Services, £0.312m, related to inflationary pressures within PPP Schools and Connected Communities;
- Increased expenditure on external residential placements, £0.275m;
- A net under-recovery of income across Connected Communities, £0.188m, which has not yet returned to pre Covid levels; and
- An under-recovery of school lets income, again impacted by the pandemic, £0.099m.

Virements in relation to the recognition of additional grant income within Information and Culture and Community Mental Health have been included within Appendix 7. In addition, a virement has been proposed to remove the current “books not returned” income budget within Connected Communities to support the elimination of any potential barriers to service users accessing facilities during the ongoing cost of living crisis.

(ii) Place – overspend of £1.809m

The net overspend is primarily related to :

- Increased utility cost charges reflecting higher than budgeted price inflation, £1.264m, to be offset by the utilisation of earmarked reserves;
- Increased transport costs across Streetscene and Waste Services due to legacy issues linked to the Covid pandemic, £1.057m;
- An under-recovery of income within Facilities Management arising from reduced commercial catering, school meal and cleaning and janitorial income, £0.929m;
- Additional school transport contract costs, impacted by inflationary rises, £0.432m;
- Lower than anticipated net income arising from delays in the implementation of car parking charges and decriminalised parking enforcement, £0.221m; and
- Increased vehicle fuel costs reflecting higher than budgeted price inflation, £0.163m, to be offset by the utilisation of earmarked reserves.

These have been partly offset by:

- Lower than anticipated expenditure across Facilities Management linked to reduced levels of commercial catering and school meal activity, (£0.910m);
- Reduced third party payments and increased income within Waste Services linked to improved recyclates streams, (£0.900m);
- Lower than anticipated expenditure on the provision of catering and cleaning in relation to the expansion of Early Learning and Childcare to 1140 hours, (£0.486m); and
- Vacancy management within Other Housing, (£0.254m).

The underspend in relation to the expansion of Early Learning and Childcare is linked to specific grant funding. As such it is requested that £0.486m is earmarked in relation to ELC expansion.

Virements in relation to the recognition of additional income within Facilities Management, Roads, Housing and Regeneration have been included within Appendix 7.

(iii) Other Corporate Items – underspend of (£2.251m)

The projected underspend is primarily related to the drawdown of (£1.644m) from earmarked funds in relation to additional contractual and non contractual energy and fuel costs reported across the services, linked to significant unbudgeted inflationary pressures. In addition, centrally held funds of (£0.578m) are not expected to be fully utilised in year.

These funds have been applied to offset the net overspend reported within Place.

A virement to realign the Housing Benefit income and expenditure budgets to current activity levels has been detailed in Appendix 7

Health and Social Care Partnership

- 2.6 A copy of the HSCP financial performance report as at the end of July 2022 is attached at Appendix 8. The report highlights the key challenges and variances for the Partnership.

The key points for Cabinet to note are summarised below:

- The projected outturn is a year-end underspend of (£0.389m) for 2022/23.
- The projected underspend on the Council Services element is (£0.661m) over the same period. This is partly offset by a projected overspend on the Health Services element of £0.272m;
- The main areas of risk identified include:
 - Learning disability care packages;
 - Residential placements for children;
 - Implementation of Scottish Government policies;
 - Covid recovery and re-mobilisation of services;
 - Implementation of the National Care Service;
 - Local Government and NHS pay awards for 2022/23; and
 - Inflationary pressures.

The projected outturn position of the HSCP assumes a 3% pay award at this time. With pay negotiations currently ongoing, this position will require to be reviewed following any pay settlement during 2022-23.

The projected position highlights the progress towards financial balance essential to minimise further financial risk to the Council within the context of the current debt of £2.320m. Based on current projections the debt is due to be cleared during 2023/24. In view of the likely significant budget gap in 2023/24, options to accelerate the repayment of debt in 2022/23 are currently being considered. Further information will be presented to Cabinet during the course of the year.

Risks

- 2.7 Significant risks to the reported position have been identified arising from inflationary pressures in relation to energy costs and essential commodities, including food and vehicle fuel, and the ongoing negotiations around the 2022-23 local government pay award.

As noted at 2.5, £1.644m has been drawn down from earmarked reserves to offset the additional inflationary pressures identified across services to 31 July 2022. In June 2022, Cabinet agreed to earmark £1.888m from the 2021/22 underspend to address unbudgeted inflationary pressures arising from the current cost of living crisis. Any further increases beyond current budget provision may impact on future service provision.

The ongoing negotiations in relation to the 2022/23 local government pay award have resulted in an increased offer equivalent to an average of 6.34% across the workforce (including the HSCP), compared to budgeted provision of 3%. The Scottish Government has announced additional funding to support the increased offer. However, it is currently forecast this this would result in additional costs of £1.6m (including the HSCP) in 2022/23, which will require to be funded and which will increase the forecast budget gap in 2023/24 and beyond. The outcome of the current negotiations will be monitored, with the final impact on budgets reported to Cabinet when confirmed.

Housing Revenue Account

- 2.8 The Housing Revenue Account budgeted for a breakeven position in 2022/23 and an in-year underspend of (£1.219m), (2.2%), is currently anticipated for the year to 31 March 2023. This is summarised in the following table with further details provided in Appendix 6.

	Annual Budget	Projection to 31 March 2023	Projected Variance for year (Fav)/Adv	Note
	£000's	£000's	£000's	
Employee Costs	5,300	5,502	202	(i)
Property Costs	18,851	18,919	68	(ii)
Supplies and Services	451	440	(11)	
Transport and Plant Costs	34	34	-	
Administration Costs	1,881	1,870	(11)	
Third Party Payments	2,550	2,679	129	(iii)
Transfer Payments	155	155	-	
Other Expenditure	368	368	-	
Capital Financing	24,692	22,862	(1,830)	(iv)
Gross Expenditure	54,282	52,829	(1,453)	
Income	(54,282)	(54,048)	234	(v)
Net Expenditure	-	(1,219)	(1,219)	

2.9 Commentary Significant Movements from the Approved Budget

A brief explanation of the significant movements from the approved budget forecasts is outlined as follows:

(i) **Employee Costs – overspend of £0.202m**

The overspend reflects a projected pay award in excess of the budgeted provision.

(ii) **Property Costs – overspend of £0.068m**

The movement is primarily related to increased expenditure on Responsive Repairs, £0.463m, partially related to construction inflation. This has been partly offset by reduced expenditure on Void Repairs, (£0.109m), Planned and Cyclical Maintenance, (£0.118m) and Other Property Costs, (£0.167m).

(iii) **Third Party Payments – overspend of £0.129m**

The overspend reflects higher than anticipated recharges from Housing Asset and Investment.

(iv) **Capital Financing – underspend of (£1.830m)**

The underspend is primarily related to reduced loan charges, reflecting the reduced level of HRA Capital expenditure.

(v) **Income – under-recovery of £0.234m**

The under-recovery is primarily related to lower than anticipated income from Council House Rents, £0.342m, and other recharges, £0.131m, partly offset by an over-recovery of Other Rents (£0.209m).

3. Proposals

3.1 It is proposed that Cabinet agrees to:

- (c) note the information and financial projections outlined in the report;
- (d) approve the earmarking of £0.486m identified at 2.5 to meet future year commitments;
- (c) note the latest financial projection for the Health and Social Care Partnership highlighted at 2.6;
- (d) approve the virements detailed in Appendix 7.

4. Implications/Socio-economic Duty

Financial

4.1 General Services

The net projection for the year as at 31 July 2022 is a net breakeven position.

Housing Revenue Account

The net projection for the year as at 31 July 2022 is a net underspend of (£1.219m).

Human Resources

4.2 None.

Legal

4.3 None.

Equality/Socio-economic

4.4 None.

Environmental and Sustainability

4.5 None.

Key Priorities

4.6 This report directly supports the Council Plan 2019 to 2024 by maximising resources and providing value for money to support financially sustainable delivery models.

Community Wealth Building

4.7 None.

5. Consultation

5.1 Progress as outlined in this report has been approved by Executive Directors.

Mark Boyd
Head of Service (Finance)

For further information please contact **David Forbes, Senior Manager (Strategic Business Partner)**, on **01294 324551**.

Background Papers

General Services Revenue Estimates 2022/23 to 2024/25 - Council 2 March 2022

Housing Revenue Account (HRA) Capital Investment Programme, Revenue Budget and Rent Levels for 2022/23 – Council 16 February 2022

CHIEF EXECUTIVES
BUDGETARY CONTROL 2022/23

REPORT FOR THE 4 MONTHS TO 31 JULY 2022

Objective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
Chief Executive					
Chief Executive	193	198	5	3%	
Total for Chief Executive	193	198	5	3%	
Financial Services					
Change Programme	1	1	-	0%	
Audit, Fraud, Safety & Insurance	645	651	6	1%	
Corporate Procurement	967	889	(78)	(8%)	1
Financial Services	1,300	1,300	-	0%	
Revenues	(538)	(538)	-	0%	
Transformation	696	708	12	2%	
Total for Financial & Customer Services	3,071	3,011	(60)	(2%)	
People & ICT					
Employee Services	898	898	-	0%	
HR & Organisational Development	1,096	1,096	-	0%	
ICT	5,279	5,326	47	1%	
Business Support	1,259	1,259	-	0%	
Customer Services	3,767	3,767	-	0%	
Total for People & ICT	12,299	12,346	47	0%	
Democratic Services					
Legal & Licensing	463	487	24	5%	
Policy, Performance & Elections	473	459	(14)	(3%)	
Communications	464	464	-	0%	
Civil Contingencies	60	60	-	0%	
Committee Services	554	554	-	0%	
Member Services	1,329	1,334	5	0%	
Ayrshire Support Service	54	54	-	0%	
Information Governance	404	392	(12)	(3%)	
Total for Democratic Services	3,801	3,804	3	0%	
Growth & Investment					
Growth & Investment	212	212	-	0%	
Total for Growth & Investment	212	212	-	-	
Net Total	19,576	19,571	(5)	(0%)	

Subjective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance
	£000	£000	£000	
Employee Costs	16,386	16,303	(83)	(1%)
Property Costs	68	68	-	0%
Supplies and Services	3,042	3,068	26	1%
Transport and Plant Costs	27	27	-	0%
Administration Costs	1,371	1,375	4	0%
Other Agencies & Bodies	2,026	2,026	-	0%
Transfer Payments	817	817	-	0%
Other Expenditure	-	-	-	-
Capital Financing	-	-	-	-
Gross Expenditure	23,737	23,684	(53)	(0%)
Income	(4,161)	(4,113)	48	(1%)
Net Expenditure	19,576	19,571	(5)	(0%)

CHIEF EXECUTIVES
BUDGETARY CONTROL 2022/23

REPORT FOR THE 4 MONTHS TO 31 JULY 2022

Budget £000	Projected Variance £000	Variance as % of budget	Section
Note 1			Finance - Corporate Procurement
957	(108)	-11%	Employee Costs - An underspend of £0.108m due to vacancy management.
-	30		Other minor variances
(78)			

COMMUNITIES
BUDGETARY CONTROL 2022/23

REPORT FOR THE 4 MONTHS TO 31 JULY 2022

Objective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
Early Years Education	20,059	20,027	(32)	-0.2%	
Primary Education	43,970	43,945	(25)	-0.1%	1
Secondary Education	55,800	55,822	22	0.0%	2
Additional Support Needs	11,783	11,738	(45)	-0.4%	3
Education - Other	3,141	3,221	80	2.5%	4
Pupil Equity Fund	5,414	5,414	-	0.0%	
Connected Communities	11,917	11,917	-	0.0%	5
Net Total	152,084	152,084	-	0.0%	

Subjective Summary	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance
	£000	£000	£000	
Employee Costs	125,239	124,896	(343)	0%
Property Costs	535	524	(11)	(2%)
Supplies and Services	15,725	16,055	330	2%
Transport and Plant Costs	141	137	(4)	(3%)
Administration Costs	650	648	(2)	(0%)
Other Agencies & Bodies	13,153	13,084	(69)	-1%
Transfer Payments	580	580	-	0%
Other Expenditure	-	-	-	
Capital Financing	78	78	-	0%
Gross Expenditure	156,101	156,002	(99)	0%
Income	(4,017)	(3,918)	99	-2%
Net Expenditure	152,084	152,084	-	0%

COMMUNITIES
BUDGETARY CONTROL 2022/23

REPORT FOR THE 4 MONTHS TO 31 JULY 2022

Budget £000	Projected Variance £000	Variance as % of budget	Section
Note 1			Primary Education
41,811	(63)	0%	Employee Costs : £0.380m underspend in non teaching staff costs across all primaries offset against a £0.316m overspend in teacher staff costs. The teaching projections are based on 21/22 academic year staffing levels and the projections are pending confirmation of teaching staffing levels for the new academic year.
1,970	22	1%	Supplies and Services : £0.022m overspend in PPP costs due to pass through utility costs subject to same inflationary pressures as other schools.
143	(28)	-20%	Third Party Payments: an underspend of £0.028m as less overtime required due to streamlined processes
(71)	44	-62%	Income: under recovery of school let income due to school lets not fully operational
(25)			
Note 2			Secondary Education
42,410	(171)	0%	Employee Costs : £0.171m underspend in non teaching staff costs.
13,146	178	1%	Supplies and Services : £0.178m overspend in PPP costs due to pass through utility costs subject to same inflationary pressures as other schools.
202	(30)	-15%	Third Party Payments: an underspend of £0.030m as less overtime required due to streamlined processes
(73)	45	-62%	Income: under recovery of school let income due to school lets not fully operational
22			
Note 3			ASN
9,966	(14)	0%	Employee costs: £0.161m overspend in teaching costs offset by £0.177m underspend in non teaching staff costs across all ASN school and bases provision. The teaching projections are based on 21/22 academic year staffing levels and the projections are pending confirmation of teaching staffing levels for the new academic year. This projection takes no account of the outcome of the ongoing Supporting Needs review.
1,010	(316)	-31%	There is a projected underspend of £0.316m on external day placements as a result of the assessment process currently in place. This enables the children to remain in mainstream establishments or in-authority ASN establishments.
499	275	55%	There is a projected overspend of £0.275m on external specialist residential placements due to the wider impact of the pandemic on the ongoing number of children in residential education. Currently there are 7 children in accommodation. Joint working is ongoing with HSCP to continually assess the care setting for these children in delivering positive outcomes.
10			Other minor movements across various budget lines
(45)			
Note 4			Education Other
4,678	216	5%	Employee costs: £0.059m underspends across central HQ staff, projected overspends in Teacher HQ cover of £0.404m and £0.314m teacher turnover. This is offset by a projected underspend of £0.443m of the new £3.5m Scottish Government grant for Teaching and non Teaching staff due to part year costs (August start).
1,415	21	1%	Third Party Payments - small overspends across various subscriptions/licences
(1,637)	(175)	11%	Income - PPP insurance rebate £0.075m and deductions of £0.100m in excess of budget.
18			Other minor movements across various budget lines
80			
Note 5			Connected Communities
7,242	(277)	-4%	Employee Costs: underspends across all sectors due to vacancy management
734	112	15%	Supplies and Services: anticipated inflationary increase in costs
3,713	-	0%	Third Party Payments: Additional support to NALL from the Council will be from the use of previously earmarked funds totalling £0.365m which will be used to support the trading deficit position and the renewal programme within NALL.
(1,452)	188	-13%	Income: projected £218K under recovery across various sectors as income has not returned to pre covid levels offset by projected over recovery in Arran Outdoor of £30K
(23)			Other minor movements across various budget lines
			Libraries - virement request of £6K to remove books not returned income target utilising overall Book budget due to ongoing cost of living issues
-			

PLACE
BUDGETARY CONTROL 2022/23

REPORT FOR THE 4 MONTHS TO 31 JULY 2022

Objective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
Directorate and Support	187	187	-	0%	
Housing and Public Protection					
Building Services	(2,542)	(2,542)	-	0%	1
Property Governance	(7)	(7)	-	0%	
Protective Services	1,315	1,315	-	0%	
Facilities Management	15,417	14,903	(514)	(3%)	2
Other Housing	2,982	2,727	(255)	(9%)	3
Total for Housing and Public Protection	17,165	16,396	(769)	(4%)	
Commercial Services					
Roads	6,721	7,067	346	5%	4
Streetscene	4,788	5,017	229	5%	5
Waste Resources	9,408	9,514	106	1%	6
Total for Commercial Services	20,917	21,598	681	3%	
Economic Growth and Regeneration					
Planning Services	290	290	-	0%	
Economic Development	4,277	4,277	-	0%	
Total for Economic Growth and Regeneration	4,567	4,567	-	0%	
Sustainability, Transport and Corporate Property					
Property Management & Investment	1,449	1,421	(28)	(2%)	7
Housing Assets & Investment	(2)	(2)	-	0%	
Property Maintenance	3,372	3,372	-	0%	
Property Running Costs	4,909	4,909	-	0%	
Energy and Sustainability	5,136	6,411	1,275	25%	8
Internal Transport	9,837	10,487	650	7%	9
Total for Sustainability, Transport and Corporate Property	24,701	26,598	1,897	8%	
Net Total	67,537	69,346	1,809	3%	
Transfer to Earmarked Reserves		486	486		
Net Total	67,537	69,832	2,295		

Subjective Summary	Annual Budget	Projected Year End Outturn	Annual Variance Adverse or (Favourable)	% variance
	£000	£000	£000	
Employee Costs	56,437	56,581	144	0%
Property Costs	22,409	23,811	1,402	6%
Supplies and Services	14,844	13,811	(1,033)	(7%)
Transport and Plant Costs	7,244	8,124	880	12%
Administration Costs	996	1,005	9	1%
Other Agencies & Bodies	17,191	16,539	(652)	(4%)
Transfer Payments	-	-	-	0%
Other Expenditure	182	161	(21)	(12%)
Gross Expenditure	119,303	120,032	729	1%
Income	(51,766)	(50,686)	1,080	(2%)
Net Expenditure	67,537	69,346	1,809	3%

PLACE
BUDGETARY CONTROL 2022/23

REPORT FOR THE 4 MONTHS TO 31 JULY 2022

Budget £000	Projected Variance £000	Variance as % of budget	Section
Note 1			Building Services
5,624	(1,576)	(28%)	Supplies & Services: An underspend of £1.576m in supplies and services. This is due to an underspend in materials as a result of a change in the composition of the works programme. This underspend is offset against the reduction in income shown below.
2,152	388	18%	Third Party Payments: An overspend in third party payments of £0.388m. This is due to an overspend of £0.416m in payment to contractors partially offset by an underspend of £0.028m in Agency costs.
(20,153)	1,149	(6%)	Income: There is an under recovery of income of £1.149m. This is primarily due to the delay in the door renewal, detection equipment and kitchen programmes.
39			Other minor movements
-			
Note 2			Facilities Management
12,654	(433)	(3%)	Employee Costs: Underspend of £0.120m is due to reduced commercial catering activity. There is an underspend of £0.162m due to the reduced uptake of school meals. Both these underspends relate to the under recovery of income highlighted below. In addition, there is an underspend of £0.151m due to recruitment issues and reduced overtime and casual costs.
962	104	11%	Property Costs: Overspend is primarily in relation to purchasing cleaning materials in response to Covid-19.
4,985	(1,143)	(23%)	Supplies and services: There is a saving of £0.165m in food due to reduced commercial catering. There are further food savings of £0.463m due to reduced school meal uptake. In addition, there is an underspend within Early Years of £0.486m which has arisen due to a lower attendance rate than originally anticipated. There is also a saving of £0.029m within tools and implements.
(3,442)	929	(27%)	Income: There is an under-recovery in commercial catering income of £0.725m due to the closure of buildings from Covid-19 restrictions. There is also an under-recovery of school meal income of £0.138m and cleaning and janitorial income of £0.066m.
29			A marketing campaign is being rolled out to encourage the uptake of school meals across the school estate.
			Other minor movements
			The £0.486m underspend noted in relation to the early years expansion is linked to specific grant funding provided by the Scottish Government, as such it is proposed that this underspend is earmarked.
(329)			
Note 3			Other Housing
4,460	(254)	(6%)	Employee Costs: Underspend due to vacancy management.
(1)			Other minor movements.
			A proposed budget virement has been included in Appendix 7 to realign budgets to outturn expected at the start of the year.
(255)			
Note 4			Roads
1,942	(65)	(3%)	Third Party Payments: Due to Covid-19 related delays in implementing the Car Parking Charges and Decriminalised Parking Enforcement saving, the £0.125m budget allocated as part of the saving will not be used. The roads maintenance budget has been adversely affected by inflationary pressures and the service is managing the programme taking account of this. However there remains a small overspend in unavoidable contractor costs.
(2,399)	370	(15%)	Income: £0.346m of the variance relates to the saving for Car Parking Charges and Decriminalised Parking Enforcement, which will not be achieved this year due to delays in the transfer of these powers. The remaining variance mainly relates to an under recovery in salaries recovered from capital, partly offset with an over recovery in fees and charges.
41			Other minor movements.
			A proposed budget virement for £0.784m has been included in Appendix 7. This is to increase the income and related expenditure budgets for work carried out for other Council Services.
346			

Budget £000	Projected Variance £000	Variance as % of budget	Section
Note 5			Streetscene
6,678	57	1%	Employee costs: There is an overspend of £0.057m due to additional overtime costs for Cemeteries for essential safety work on headstones and additional bank holiday working.
129	145	112%	Transport Costs: Extra vehicles are on hire due to Seasonal work (two of which go off hire soon), HAVS operator and a loan of vehicles to Waste to deal with bin deliveries due to legacy issues from Covid. There is also an overspend in skip hire of £0.045m, which is historical, and levels of waste have stayed at comparable levels from 2021/22 to 2022/23 due the continuation of staycations.
327	61	19%	Supplies and Services: Overspend is due to essential material inflationary pressures.
(34)			Other minor movements
229			
Note 6			Waste Services
4,762	806	17%	Employee Costs: Additional temporary labour remains in place within Waste Operations as the service recovers from the pandemic. Work to review beats taking account of post pandemic waste composition analysis and to balance the burden of new builds is ongoing with Trade Union colleagues resulting in support arrangements being required. In addition there is a high volume of annual leave not taken due to COVID, requiring holiday cover.
6,441	(699)	(11%)	Third Party Payments: Underspend in Payment to contractors of £0.749m largely a result of improved quality of our recycle streams following sustained 'right stuff, right bin' campaigns alongside more competitive recycle prices within our disposal contracts. This is offset by an overspend in Clyde Valley waste of £0.065m which will be funded from reserves.
160	131	82%	Transport Costs: Overspend of £0.151m due to the new way of working requiring 2 additional hire vehicles plus a long term hire. This is being reviewed in line with the post pandemic review of beats.
(2,780)	(130)	5%	Income: Over-recovery of income due to the recycles market for glass, cans, plastics and paper being favourable to provide income rather than a cost to the council £0.151m. This is offset by an under recovery of gas extraction income £0.061m.
(2)			Other minor movements.
106			
Note 7			Property Management and Investment
2,350	(65)	(3%)	Employee Costs: An underspend of £0.065m due to vacancy management.
37			Other minor movements
(28)			
Note 8			Energy and Sustainability
4,725	1,264	27%	Property Costs: Due to the current energy crisis there is an overspend in property costs of £1.819m due to increased utility cost charges. Electricity is forecast to be £0.441m overspent, gas £1.224m over and biomass £0.214m over. These costs are offset partially by an underspend in water charges of £0.096m and a drawdown of expected price inflation funds of £0.554m. The remaining overspend is the inflationary pressure on the energy budgets that is greater than the budgeted levels A review is underway to confirm options available to reduce consumption across our estate further to help mitigate the inflationary pressure. This will be considered in the context of a need for sufficient ventilation in buildings and will also be contingent on temperatures experienced during the winter season
11			Other minor movements
1,275			
Note 9			Internal Transport
4,201	432	10%	Transport Provision Costs: A projected overspend of £0.432m is largely due to direct fuel cost increases and indirect fuel and labour cost increases through our school transport contracts.
1,643	163	10%	Fuel Costs: This projected overspend of £0.163m is due to the increase in fuel prices and the legislative changes restricting the use of rebated gas oil (or 'red diesel as it is commonly referred to).
467	55	12%	External Hires: Projected overspend of £0.054m due to additional hire vehicles as a result of increased lead time for replacement vehicles.
650			

OTHER CORPORATE ITEMS
BUDGETARY CONTROL 2022/23

REPORT FOR THE 4 MONTHS TO 31 JULY 2022

Objective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
Strathclyde Passenger Transport	2,212	2,212	-	0%	
SPT Concessionary Fares	286	286	-	0%	
Ayrshire Joint Valuation Board	954	932	(22)	(2%)	
	3,452	3,430	(22)	(1%)	
Other Corporate Costs					
Pension Costs	1,895	1,895	-	0%	
Central Telephones	310	310	-	0%	
Other Corporate Items (incl Transformation Costs, Bad Debt Provision, External Audit fees and other centrally held funding.)	26,836	24,614	(2,222)	(8%)	1
Housing Benefits	2,422	2,415	(7)	0%	
	34,915	32,664	(2,251)	(6%)	

OTHER CORPORATE ITEMS
BUDGETARY CONTROL 2022/23

REPORT FOR THE 4 MONTHS TO 31 JULY 2022

Budget £000	Projected Variance £000	Variance as % of budget	Section
Note 1			Other Corporate Items
26,836	(2,222)	-8%	<p>The projected underspend is primarily related to the drawdown of £1.644m earmarked funds in relation to additional contractual and non contractual energy and fuel costs reported across the services, linked to significant unbudgeted inflationary pressures. In addition, centrally held funds of £0.578m are not expected to be fully utilised in year, including lower than anticipated costs in relation to the Council Tax Reduction regulatory changes and additional Scottish Government funding in relation to Core Curriculum Charges and changes to DHP distributions.</p> <p>These funds have been applied to offset the overspend reported within Place at Appendix 3.</p>
(2,222)			

MISCELLANEOUS ITEMS
BUDGETARY CONTROL 2022/23

REPORT FOR THE 4 MONTHS TO 31 JULY 2022

Objective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% variance	Note No
	£000	£000	£000		
Financing Charges	12,396	12,396	-	-	
Contribution to Loans Fund Reserve	3,301	3,301	-	-	
Scottish Government Funding	(340,331)	(340,331)	-	-	
Council Tax	(62,260)	(62,299)	(39)	0%	1
Use of Earmarked Funds	(3,104)	(3,104)	-	-	
Net Total	(389,998)	(390,037)	(39)	0%	

Note 1 Council Tax

Although the income from Council Tax is projected to be in line with the revised budget. In year collection rates remain below that of pre-pandemic years resulting in an increase in Bad Debt Provision to 4% compared to the previous 3.5%

HOUSING REVENUE ACCOUNT
BUDGETARY CONTROL 2022/23

REPORT FOR THE 4 MONTHS TO 31 JULY 2022

	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£	£	£		
Employee Costs	5,300	5,502	202	4%	1
Property Costs					
Responsive Repairs	5,678	6,141	463	8%	
Void Repairs	3,147	3,038	(109)	(3%)	
Planned and Cyclical Maintenance	4,862	4,744	(118)	(2%)	
Aids and Adaptions	1,617	1,617	-	0%	
Other property costs	3,547	3,379	(168)	(5%)	
Total for Property Costs	18,851	18,919	68		2
Supplies & Services	451	440	(11)	(2%)	
Transport Costs	34	34	-	0%	
Administration Costs	1,881	1,870	(11)	(1%)	
Third Party Payments	2,550	2,679	129	5%	3
Transfer Payments	155	155	-	0%	
Other Expenditure	368	368	-	0%	
Capital Financing Costs	24,692	22,862	(1,830)	(7%)	4
Gross Expenditure	54,282	52,829	(1,453)	(3%)	
Income					
Council House Rents	(53,310)	(52,967)	343	(1%)	
Other Rents	(326)	(536)	(210)	64%	
Recharges	(500)	(368)	132	(26%)	
Other Income	(146)	(177)	(31)	21%	
Transfer from HRA Reserves	-	-	-	0%	
Total Income	(54,282)	(54,048)	234	(0%)	5
Net Expenditure	-	(1,219)	(1,219)		

HRA
BUDGETARY CONTROL 2022/23

REPORT FOR THE 4 MONTHS TO 31 JULY 2022

Budget £000	Variance £000	Variance as % of budget	Section
Note 1			Employee costs
5,300	202	4%	An overspend in employee costs of £0.202m. This is primarily due to an increased projection in the salary uplift.
202			
Note 2			Property Costs
18,850	68	0%	An overspend in property costs of £0.068m. This is due to an overspend of £0.463m in Responsive Repairs, partially related to construction inflation, offset by underspends of £0.109m in Voids Repairs, £0.118m in Planned and Cyclical Maintenance, and £0.167m in other property costs.
68			
Note 3			Third Party Payments
2,550	129	5%	An overspend in third party payments of £0.129m. This is due to an overspend of £0.188m in relation to the Housing Asset and Investment recharges partially offset by an underspend of £0.059m in ASB and Tenant Support charge.
129			
Note 4			Capital Financing Costs
24,692	(1,830)	-7%	There is an underspend in capital financing costs of £1.830m due to reduced loan charges. This is due to the reduced levels of expenditure currently being experienced in the HRA Capital budget
(1,830)			
Note 5			Income
(54,282)	234	0%	An under recovery in income of £0.234m. This is due to an under recovery of £0.342m in Council House Rents and £0.131m in recharges offset by an over recovery in income of £0.209m in Other Rents and £0.030m in other income.
234			

HRA reserves and balances	B/fwd from 2021/22	Transfer to / from Reserves	Use of Earmarked sums	Earmarking of in year surplus	Funding of Capital Projects	Projected Balance at 31/03/23
	£m	£m	£m	£m	£m	£m
Council House Building Fund	5.280	-	-	-	(1.151)	4.129
Welfare Reform	1.500	-	-	-	-	1.500
Sustainability Fund	5.000	-	-	-	-	5.000
Voids - non programmed works	1.558	-	-	-	-	1.558
Software Licences	0.123	-	-	-	-	0.123
Contingency Balance	0.781	-	-	1.219	-	2.000
Infrastructure Improvements	0.416	-	-	-	-	0.416
Major Refurbishment Works	0.052	-	-	-	-	0.052
Tenant led balance	0.636	-	-	-	-	0.636
Electrical Testing	0.270	-	-	-	-	0.270
	15.616	-	-	1.219	(1.151)	15.684

Budget Management - 31 July 2022
Virement/Budget Adjustment Requests

	Perm (P) / Temp(T)	2022/23	
		Virement £m	Directorate Total £m
1) Budget Virements			
Place			
Facilities Management - Employee Costs	T	-0.086	
Facilities Management - Supplies and Services	T	-0.131	
Facilities Management - Income	T	0.217	
Roads Network - Third Party Payments	T	0.498	
Roads Network - Supplies and Services	T	0.286	
Roads Network - Income	T	-0.784	
Housing - Property Costs	P	0.222	
Housing - Other Expenditure	P	-0.096	
Housing - Income	P	-0.126	
Regeneration - Third Party Payments	T	0.260	
Regeneration - Employee Costs	T	0.210	
Regeneration - Grant Income	T	-0.470	
			0.000
Communities			
Information and Culture - Grant Income	T	-0.188	
Information and Culture - Supplies and Services	T	0.124	
Information and Culture - Employee Costs	T	0.064	
Information and Culture - remove Books not returned income target	P	0.006	
Information and Culture - reduce book budget to offset above income target	P	-0.006	
Community Mental Health - Grant Income	T	-0.267	
Community Mental Health - Supplies and Services	T	0.002	
Community Mental Health - Employee Costs	T	0.158	
Community Mental Health - Third Party Payments	T	0.106	
Community Mental Health - Administration Costs	T	0.001	
			0.000
OCI			
Cost of Housing Benefits - Rent Rebates	T	-3.500	
Cost of Housing Benefits - Rent Allowances	T	-8.600	
Cost of Housing Benefits - Income from DWP	T	12.100	
			0.000



Integration Joint Board 22nd September 2022

Subject: **2022-23 – Month 4 Financial Performance**

Purpose: To provide an overview of the IJB's financial performance as at Month 4 (July) including an update on the estimated financial impact of the Covid-19 response.

Recommendation: It is recommended that the IJB:

- (a) notes the overall integrated financial performance report for the financial year 2022-23 and the current overall projected year-end underspend of £0.389m;
- (b) notes the progress with delivery of agreed savings;
- (c) notes the remaining financial risks for 2022-23, including the impact of remaining Covid-19 estimates and costs; and
- (d) approves the budget reductions which are detailed at paragraph 2.11.

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
NRAC	NHS Resource Allocation Committee
GAE	Grant Aided Expenditure
PAC	Performance and Audit Committee

1.	EXECUTIVE SUMMARY
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 end of July, 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 underspend of £0.389m (0.1%) for 2022-23.

1.3	From the core projections, overall, the main areas of pressure are learning disability care packages, residential placements for children, supplementary staff in wards and Unplanned Activities (UnPACs) within the lead partnership for mental health.
2.	CURRENT POSITION
2.1	<p>The report includes an overview of the financial position including commitments against the available resource, explanations for the main budget variances and an update on progress in terms of savings delivery.</p> <p>The report also includes detail of the estimated costs and potential financial impact of the Covid-19 response.</p>
	FINANCIAL PERFORMANCE – AT MONTH 4
2.2	<p>At Month 4 against the full-year budget of £280.909m there is a projected year-end underspend of £0.389m (0%). 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. Following this approach, an integrated view of the financial position should be taken, however it is useful to note that this overall position consists of a projected underspend of £0.661m in social care services and a projected overspend of £0.272m in health services.</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.</p> <p>The projections for some areas will be subject to fluctuations as they depend on recruitment plans for new funding and also the capacity of providers to take on work.</p>
2.3	Health and Community Care Services
	<p>Against the full-year budget of £81.169m there is a projected underspend of £0.757m (0.9%) and the main variances are:</p> <p>a) Care home placements including respite placements (net position after service user contributions and charging order income) are projected to underspend by £1.070m.</p> <p>The budgeted number of permanent placements is 778 and at month 4 there are 755 placements. The projection assumes that there will be a gradual increase in placements to reach the budgeted figure by the end of the financial year. Within the projection there is an assumption that recent placements which do not have a completed financial assessment (often due to the pressure to discharge from hospital) are costed with 50% of the cases at the current average cost of a placement and 50% at the gross or interim funded rate. It is likely that there will still be some cases being gross or interim funded at the year end. Their actual cost will not be known until the FA1 financial assessment is completed.</p> <p>The level of income recovered from charging orders was under recovered in 2021-22 but an online position is assumed at month 4.</p>

	<p>b) Care at home (in house) is projected to be £0.637m underspent. As there are vacant posts some of the current capacity is being met by existing staff working additional hours and casual staff. Bank staff are being offered contracts and additional staff are being recruited which will replace the need for existing staff to work additional hours. The majority of the underspend is in purchased care at home as providers are not always able to accept referrals due to staffing / recruitment issues.</p> <p>c) Community alarms are projected to be £0.205m underspent due to vacancies which are being actively recruited to.</p> <p>d) Reablement services are projected to be £0.153m underspent due to vacancies which are being actively recruited to.</p> <p>e) Care at Home Charging Income is projected to under recover by £0.087m due to an ongoing shift towards personal care which is non chargeable. This is after applying £0.076m of covid funding.</p> <p>f) Physical Disability Care Packages (including residential and direct payments) - projected overspend of £0.144m in community care packages, £0.099m in direct payments and £0.313m for residential placements.</p> <p>g) Adaptations are projected to be online based on spend to date.</p> <p>h) Anam Cara is projected to overspend by £0.127m due to an overspend on employee costs relating to covering vacancies and sickness.</p> <p>i) Integrated Island Services is projected to be £0.164m overspent mainly due to additional accommodation costs for mainland staff working at Montrose House following the recent increase in the number of residents.</p> <p>j) District Nursing is projected to overspend by £0.029m due to an overspend on supplies.</p> <p>k) Rehab wards are projected to overspend by £0.188m (Redburn ward £0.286m overspent and Douglas Grant £0.098m underspent). The overspend at Redburn is due to cover costs for vacancies as well as supplementary staffing for patients who require one to one support.</p>
2.4	Mental Health Services
	<p>Against the full-year budget of £87.744m there is a projected overspend of £0.726m (0.8%). This excludes any potential variance on the Mental Health Recovery and Renewal Funding where any underspend will be earmarked at the year-end for use in 2023-24. The main variances are:</p> <p>a) Learning Disabilities are projected to overspend by £1.117m and the main variances are:</p> <ul style="list-style-type: none"> Care Packages (including residential and direct payments) - projected overspend of £0.494m in community care packages, £0.200m in direct payments and £0.468m for residential placements.

Community Learning Disability Care packages are proving to be one of the most challenging areas to address overspends. The data from CM2000 will be reported back to the service to allow them to see where care has deviated from the planned level and focus reviews to those areas.

- In house day care is projected to underspend by £0.144m as a result of reduced service provision due to Covid restrictions and vacancies following the service redesign and staffing model changes.
- Residential Respite is projected to overspend by £0.091m which reflects funding the new facility (Roslyn House) to full capacity.

b) Community Mental Health services are projected to underspend by £0.451m and included within this are underspends of £0.650m in community packages (including direct payments) and an overspend of £0.188m for residential placements.

c) The Lead Partnership for Mental Health is projecting to be £0.090m overspent and the main variances are as follows:

- A projected underspend in Adult Inpatients of £0.226m. This is mainly due to overspends in the of supplementary staff, staff in redeployment and reduced bed sale income which are offset by £0.306m of income in relation to the firestop works.
- The UNPACS (Unplanned Activities) budget is projected to overspend by £1.200m based on current number of placements remaining until the year end. These placements are for individuals with very specific needs that require a higher level of security and/or care from a staff group with a particular skill set/competence. There are no local NHS secure facilities for women, people with a learning disability or people with neurodevelopmental disorder. This can necessitate an UNPACS placement with a specialist provider which can be out-of-area. The nature of mental health UNPACS spend is that it is almost exclusively on medium or long term complex secure residential placements which are very expensive so a small increase in placements can have a high budgetary impact. Due to the complexity and risk involved, transitions between units or levels of security can take many months. Applications to approve a placement are made to the Associate Medical Director for Mental Health who needs to be satisfied that the placement is appropriate and unavoidable prior to this being agreed.
- A projected overspend in MH Pharmacy of £0.100m due to an increase in substitute prescribing costs.
- Learning Disability Services are projected to overspend by £0.206m. This is mainly due to high usage of supplementary staffing, cross-charging for a LD patient whose discharge has been delayed and redeployment staffing costs. Supplementary staffing costs relate to backfill for sickness, increase and sustained enhanced observations and vacancies. The enhanced observations are reviewed on a daily basis however, due to the individuals being acutely unwell at present, this level of enhanced observations has been maintained for a lengthy period of time. The projection assumes that we begin cross charging another HSCP for the ongoing costs of the person detailed above where, despite having extensive time to identify an alternative placement there has, as yet been no solution identified.

- Elderly Inpatients are projected to overspend by £0.144m mainly due to the use of supplementary staffing.
- The turnover target for vacancy savings for the Lead Partnership is held within the Lead Partnership as this is a Pan-Ayrshire target. There is a projected over-recovery of the vacancy savings target of £1.120m in 2022-23, further information is included in the table below:

Vacancy Savings Target	(£0.481m)
Projected to March 2023	£1.601m
Over/(Under) Achievement	£1.120m

The current projection to the year-end is informed by the recruitment plans and the confidence in recruitment success and realistic timescales for filling individual vacancies.

The areas contributing to this vacancy savings position are noted below:

- Adult Community Health services £0.192m
- CAMHS £0.546m
- Mental Health Admin £0.240m
- Psychiatry £0.100m
- Psychology £0.503m
- Associate Nurse Director £0.020m

2.5

Children and Justice Services

Children's Services

Against the full-year budget of £36.491m there is a projected overspend of £1.903m (5.2%). The main variances are:

a) Care Experienced Children and Young People is projected to overspend by £1.914m. The main areas within this are noted below:

- Children's residential placements are projected to overspend by £2.450m prior to Covid funding and projected to overspend by £1.704m after £0.746m of Covid funding. We started 22/23 with 23 placements and of these placements one is assumed to be discharged in August, one in September, one in October and two in December taking the placement numbers to 18 by the end of the year.
- Fostering placements are projected to underspend by £0.153m based on the budget for 115 places and 115 actual placements (of which 6 are Covid related and are funded through the Covid-19 funding) since the start of the year. Recruitment of foster carers is an active priority for the team, both to limit the requirement for external foster placements and reduce pressures elsewhere on the service. This is promoted through regular targeted recruitment campaigns, community awareness raising and daily presence on various social media platforms. Our active recruitment strategy is gaining some interest and we are actively pursuing a number of enquiries as a result.
- Fostering Xtra placements are projected to be on-line after applying £0.086m of covid funding. The projection is based on the budget for 30 placements and 29 actual placements since the start of the year.

	<ul style="list-style-type: none">Private Fostering placements are projected to be £0.056m underspent based on the budget for 17 placements and 14 actual placements since the start of the year.Kinship placements are projected to underspend by £0.162m based on the budget for 376 places and 360 actual placements since the start of the year.Adoption placements are projected to overspend by £0.098m based on the budget for 53 places and 67 actual placements since the start of the year. <p>b) Children with disabilities – residential placements are projected to underspend by £0.094m based on 8 placements which are expected to continue until the end of the year.</p> <p>c) Residential respite – placements are projected to overspend by £0.394m. These short-term placements are used to prevent an admission to full residential care. There are currently 4 placements which three expected to be discharged in August and two in September.</p>												
2.6	ALLIED HEALTH PROFESSIONALS (AHP)												
	AHP services are projected to underspend by £0.124m due to underspends in non-employee costs.												
2.7	CHIEF SOCIAL WORK OFFICER												
	There is a projected underspend of £0.700m due to a projected underspend in the Carers Strategy funding.												
2.8	MANAGEMENT AND SUPPORT												
	Management and Support Services are projected to underspend by £1.219m. The main areas of underspend are: <ul style="list-style-type: none">An over-recovery of payroll turnover of £0.972m for social care services as outlined in para 2.9 below.An over-recovery of payroll turnover of £0.262m for health services as outlined in para 2.9 below.The 2022-23 budget included a budgeted surplus on the social care side offset by a budgeted deficit on the health side of the budget. The net impact is neutral but Appendix A will show this position for each element.												
2.9	Turnover/Vacancy Savings												
	<p>The turnover targets and projected achievement for the financial year for Health and Social Care services out with the Lead Partnership is noted below:</p> <table><tr><td></td><td>Social Care</td><td>Health Services</td></tr><tr><td>Vacancy Savings Target</td><td>(2.014m)</td><td>(1.183m)</td></tr><tr><td>Projected to March 2023</td><td>2.986m</td><td>1.445m</td></tr><tr><td>Over/(Under) Achievement</td><td>0.972m</td><td>0.262m</td></tr></table>		Social Care	Health Services	Vacancy Savings Target	(2.014m)	(1.183m)	Projected to March 2023	2.986m	1.445m	Over/(Under) Achievement	0.972m	0.262m
	Social Care	Health Services											
Vacancy Savings Target	(2.014m)	(1.183m)											
Projected to March 2023	2.986m	1.445m											
Over/(Under) Achievement	0.972m	0.262m											

The position in the table above reflects the assumption in the current financial projections. For social care, a total of £1.493m (74% of annual target) has been achieved to date. The turnover achieved to date is higher than usual as the 22/23 budget included investment in various areas of staffing and these posts are not fully recruited to yet. The underspend in day care for older people has also been included as payroll turnover in 2022/23 which is a change from 2021/22 when the underspend was held to offset additional care at home costs.

The health vacancy projection to the year-end is based on the month 4 position and is informed by the recruitment plans and confidence in recruitment to posts for the remainder of the year.

The areas contributing to the health and social care vacancy savings are spread across a wide range of services with vacancy savings being achieved in most areas. The main areas are month 4 are:

- Management and Support £0.241m
- Community Care Service Delivery £0.215m
- Locality Services £0.160m
- Rehab and Reablement £0.160m
- Community Mental Health £0.140m
- Learning Disability Services £0.140m
- Integrated Island Services £0.136m

There have been no intentional plans to pause or delay recruitment and services have actively continued to recruit; in some service areas it has proven difficult to fill posts.

The turnover target for the North Lead Partnership for Mental Health services is detailed within the Lead Partnership information at section 2.4.

2.10 Savings Progress

- a) The approved 2022-23 budget included £0.683m of savings.

BRAG Status	Position at Budget Approval £m	Position at Month 4 £m
Red	-	-
Amber	0.060	0.060
Green	0.623	-
Blue	-	0.623
TOTAL	0.683	0.683

- b) The main area to note is that amber savings of £0.060m relating to adoption allowances are assumed to be achieved in the projected outturn but final plans to deliver this have still to be agreed.

Appendix B shows the full Transformation Plan for 2022/23 which has been agreed by the Transformation Board; the Board is in place to provide oversight and governance to the programme of service change. A focus of the Board is to ensure

	<p>plans are in place to deliver savings and service change, with a solution focussed approach to bringing programmes back on track.</p> <p>Not all the service changes on the Transformation Plan have savings attached to them but there is an expectation that they will lead to service improvements. The Plan is critical to the ongoing sustainability and safety of service delivery and to supporting the delivery of financial balance in future.</p> <p>Appendix C provides an overview of those service changes which do have financial savings attached to them and the current BRAG status around the deliverability of each saving.</p>
2.11	<p>Budget Changes</p> <p>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 Integration Joint Board nor Services managed on a Lead Partnership basis.... without the express consent of the Integration Joint Board.”</i></p> <p>Appendix D highlights the movement in the overall budget position for the Partnership following the initial approved budget.</p> <p>Reductions Requiring Approval:</p> <ol style="list-style-type: none"> 1) Software license transfer to IT £0.003m 2) Prescribing £0.071m 3) Admin Post to Medical Records £0.034m
2.12	<p>NHS – Further Developments/Pan Ayrshire Services</p> <p><u>Lead Partnerships:</u></p> <p>The IJB outturn position is adjusted to reflect the impact of Lead Partnership services. The outturn for all Lead Partnership services is shared across the 3 Partnerships on an NRAC basis; this position is currently the default pending further work to develop a framework to report the financial position and risk sharing across the 3 Partnerships in relation to hosted or lead service arrangements, which has been delayed by the requirement to focus efforts on the Covid response.</p> <p>The final outturn in relation to North Lead Partnership services would not be fully attributed to the North IJB as a share would be allocated to East and South Partnerships; similarly, the impact of the outturn on East and South led services will require to be shared with North. At Month 4 the MH lead partnership is projected to overspend by £0.090m (£0.029m NRAC share for East and £0.028m for South).</p> <p>East HSCP – are projecting a £0.604m underspend of which £0.223m (37%) is attributable to North. The main variances are:</p> <p>Primary Care - there are reduced costs within Dental Services, where there is a projected underspend of £0.277m. This is largely due to Childsmile and the Dental Management Team both running with a number of vacancies. In addition, there are reduced costs within Primary Care Contracting and Support £0.297m, largely due to vacant posts, as well as projected savings in</p>

	<p>Diabetic Retinopathy and within East Ayrshire Community Hospital Medical and General Pharmaceutical. These reduced costs are partially offset by additional salary costs of the of the GP element of Out of Hours Services, as well as additional costs of the overnight nursing service. Projected overspend of £0.374m, with work ongoing to address and bring into line as far as possible over the course of 2022/23.</p> <p>Prison and Police Healthcare - there is a projected underspend of £0.303m due to reduced new contracts. however there is a review of the prison service currently being undertaken/ It is expected that these funds will go towards improving the staff levels within the prison however an underspend of £0.303m is projected at this early stage of the financial year.</p> <p>South HSCP – projected overspend of £0.171m (£0.063m NRAC share for NAHSCP). The overspend is mainly due to an overspend in the community store and continence service offset by vacancies in the Family Nurse Partnership.</p> <p>Set Aside: - an approach has yet to be decided on for 22/23, which may be used as a “shadow year” for using current year activity. This will depend on how representative the activity is felt to be. By default inflation will be applied to the 2021/22 budget.</p> <p>The annual budget for Acute Services is £373.3m. The directorate is overspent by £3.1m, caused by increasing overspends on agency medical and nursing staff, together with increasing drug expenditure. These have been required due to the level of operational pressure being experienced, in common with many other areas in Scotland at present.</p> <p>There is a material underlying deficit caused by:</p> <ul style="list-style-type: none"> • Unachieved efficiency savings • High expenditure on medical and nursing agency staff, high rates of absence and vacancy causing service pressure • High numbers of delayed discharges <p>The IJBs and the Health Board work closely in partnership to maintain service and improve performance.</p>
2.13	<p>FINANCIAL RISKS</p>
	<p>There are a number of ongoing financial risk areas that may impact on the 2022-23 budget during the year, these include:</p> <ul style="list-style-type: none"> • High risk areas of low volume / high-cost services areas e.g. Learning Disability care packages, children’s residential placements and complex care packages. • Progress with the work to develop set aside arrangements and the risk sharing arrangements agreed as part of this • Ongoing implementation costs of the Scottish Government policy directives • Lead / hosted service arrangements, including managing pressures and reporting this across the 3 IJBs • The impact on Lead Partnership and acute services from decisions taken by other Ayrshire areas

- The Covid recovery process and re-mobilisation of services, including the ability to change and improve services following learning from the Covid response
- The impact and implementation of the National Care Service.
- The Local Government and NHS pay awards are not settled for 2022-23 and negotiations are ongoing; as outlined in the report the risk is mitigated for the social care workforce by providing for a 3% increase and for NHS it is anticipated that additional funding would be allocated if the pay award settlement is higher than the current assumption
- The current very high levels of inflation
- The review of the Care at Home service which commenced in Spring 2022
- Supported Accommodation - funding has been included in the budget for the new developments but the adequacy of the funding will only be known when the final occupants are agreed.

These risks will be monitored during 2022-23 and the financial impact reported through the budget monitoring report.

2.14 COVID-19 – FINANCE MOBILISATION PLAN IMPACT

Summary of position

From the outset of the pandemic the HSCP acted very swiftly to respond and developed a mobilisation plan detailing the additional activities to support our response, alongside the estimated financial impact. Financial returns were submitted to the Scottish Government on a regular basis during 2020-21 and 2021-22, on the premise that any additional costs aligned to mobilisation plans would be fully funded. This process will continue during 2022-23 with returns moving from quarterly to monthly. Covid funding of £13.321m was carried forward from 2021-22 for use in services delegated to the Partnership during 2022-23 and the costs outlined below will be met from this funding.

2.15 Mobilisation Plan and Funding Position

The quarter 1 mobilisation plan cost submission was submitted in July and estimated the costs to be £4.067m to March 2023. There was no change to these estimates in month 4 but the amount for payments to providers will need to increase in month 5. The costs remain estimates as the situation continually evolves and there will be a further update submitted after month 5.

The local finance mobilisation plan submission is included as Appendix E. The main areas of cost are summarised below:

Service Area	Initial Quarter 1 2022-23 Return £m	Month 4 2022-23 Return £m
Payments to Providers	1.100	1.100
PPE	0.418	0.418
Additional Staff	1.317	1.317
Loss of Income	0.246	0.246

Children & Families	0.957	0.957
Other Areas	0.029	0.029
TOTAL	4.067	4.067

2.16 **Provider Sustainability Payments and Care Home Occupancy Payments**

COSLA Leaders and Scottish Government have agreed an approach to supporting the social care sector to ensure that reasonable additional costs will be met. We have been making payments to commissioned social care providers in line with the agreed national principles for sustainability and remobilisation payments to social care providers during COVID 19.

Care Home Occupancy Payments - The Scottish Government ceased these payments at the end of October 2021 but exceptions were made following the Omicron outbreak and limited payments were made to eligible care homes. Meetings are being held with each care home to discuss ongoing sustainability and to provide support.

Sustainability payments – the most recent guidance issued on 22nd June reduces the scope of what providers can claim for. The main costs that can be claimed relate to testing and vaccination and this is extended to 31st March 2023. The Social Care Staff Support Fund was also extended to 30th September 2022.

The sustainability payments are estimated to be a significant cost in our mobilisation plan and the timely submission and assessment of claims is key to ensuring we can accurately estimate the financial cost and ensure the costs are reclaimed from the Scottish Government.

The breakdown of payments made in 2022-23 up to 31st July 2022 are shown in the tables below:

PROVIDER SUMMARY	NCHC Care Homes	Other	Total
Total Number of Providers	17	49	66
Number contacting NAC	16	11	27
Providers Supported to date	16	11	27

OUTSTANDING CLAIMS	NCHC Care Homes	Other	Total
Total Number of Claims	9	11	20
Value of Claims	303,243	238,382	541,625

SUPPORT PROVIDED	NCHC Care Homes	Other Services	TOTAL
	£	£	£
Occupancy Payments up to 31 st July 2022	81,650	-	81,650

Staffing	469,081	105,349	574,429
PPE, Infection Control	152,810	41,674	194,483
Other	65,323	4,167	69,489
TOTAL	768,863	151,189	920,052

2.17 RESERVES

The IJB reserves position is summarised in the table below with full detail given in Appendix F.

The 'free' general fund balance of £7.248m is held as a contingency balance, this equates to around 2.5% of the IJB budget for 2021-22 which is above the lower target level of 2% and does demonstrate significant progress towards establishing a contingency reserve of between 2% and 4%.

£1.486m is held by the Council to support a further repayment of debt at the end of 2022-23 and this is not reflected in the financial projection. This position will continue into 2023-24 when it is anticipated that the debt will be cleared.

	General Fund Reserves		Earmarked Reserves			Total
	Debt to NAC	Free GF	SG Funding	Non-SG Funding £m	HSCP	
	£m	£m	£m	£m	£m	£m
Opening Balance - 1 April 2022	(2.321)	7.248	23.106	0.699	0.500	29.232

3. PROPOSALS

3.1 Anticipated Outcomes

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 2022-23 from within the available resource, thereby limiting the financial risk to the funding partners.

The estimated costs and funding in relation to the Covid-19 response also require to be closely monitored to ensure that the IJB can plan for the impact of this and to ensure that the IJB is in the position to re-claim funding to compensate for the additional costs.

3.2 Measuring Impact

Ongoing updates to the financial position will be reported to the IJB throughout 2022-23.

4.	IMPLICATIONS
Financial:	The financial implications are as outlined in the report. Against the full-year budget of £280.909m there is a projected underspend of £0.389m. The report outlines the main variances for individual services.
Human Resources:	The report highlights vacancy or turnover savings achieved to date. Services will review any staffing establishment plans and recruitment in line with normal practice when implementing service change and reviews as per agreement with the IJB, there is no intention to sustain this level of staffing capacity reduction on a recurring or planned basis.
Legal:	None
Equality:	None
Children and Young People	None
Environmental & Sustainability:	None
Key Priorities:	None
Risk Implications:	<p>Para 2.13 highlights the financial risks.</p> <p>The report falls in line with the agreed risk appetite statement which is a low-risk appetite in respect to adherence to standing financial instructions, financial controls and financial statutory duties and a high-risk appetite in relation to finance and value for money.</p>
Community Benefits:	None

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

5.	CONSULTATION
5.1	<p>This report has been produced in consultation with relevant budget holders and the Partnership Senior Management Team.</p> <p>The IJB financial monitoring report is shared with the NHS Ayrshire and Arran Director of Finance and North Ayrshire Council's Head of Finance after the report has been finalised for the IJB.</p>
6.	CONCLUSION
6.1	<p>It is recommended that the IJB:</p> <p>(a) notes the overall integrated financial performance report for the financial year 2022-23, the overall projected year-end underspend of £0.389m;</p> <p>(b) notes the progress with delivery of agreed savings;</p> <p>(c) notes the remaining financial risks for 2022-23;</p>

	(d) approves the budget reductions which are detailed at para 2.11.
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For more information please contact:

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2022-23 Budget Monitoring Report–Objective Summary as at 31st July 2022

Appendix A

Partnership Budget - Objective Summary	2022/23 Budget									Over/ (Under) Spend Variance at Period 3	Movement in projected variance from Period 3
	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		
COMMUNITY CARE AND HEALTH	64,698	63,560	(1,138)	16,471	16,852	381	81,169	80,412	(757)	(121)	(636)
: Locality Services	28,204	27,772	(432)	5,250	5,330	80	33,454	33,102	(352)	(342)	(10)
: Community Care Service Delivery	31,239	30,210	(1,029)	0	0	0	31,239	30,210	(1,029)	(207)	(822)
: Rehabilitation and Reablement	1,987	1,982	(5)	0	0	0	1,987	1,982	(5)	1	(6)
: Long Term Conditions	939	1,102	163	9,110	9,411	301	10,049	10,513	464	472	(8)
: Community Link Workers	182	183	1	0	0	0	182	183	1	0	1
: Integrated Island Services	2,147	2,311	164	2,111	2,111	0	4,258	4,422	164	(45)	209
MENTAL HEALTH SERVICES	31,295	32,021	726	56,449	56,449	0	87,744	88,470	726	1,850	(1,124)
: Learning Disabilities	21,759	22,876	1,117	482	482	0	22,241	23,358	1,117	1,116	1
: Community Mental Health	5,822	5,431	(391)	1,676	1,616	(60)	7,498	7,047	(451)	(372)	(79)
: Addictions	3,714	3,714	0	1,542	1,512	(30)	5,256	5,226	(30)	(30)	0
: Lead Partnership Mental Health NHS Area Wide	0	0	0	52,749	52,839	90	52,749	52,839	90	1,136	(1,046)
CHILDREN & JUSTICE SERVICES	32,467	34,370	1,903	4,024	4,024	0	36,491	38,394	1,903	1,448	455
: Irvine, Kilwinning and Three Towns	3,083	3,082	(1)	0	0	0	3,083	3,082	(1)	4	(5)
: Garnock Valley, North Coast and Arran	2,117	2,117	0	0	0	0	2,117	2,117	0	1	(1)
: Intervention Services	1,773	1,763	(10)	340	340	0	2,113	2,103	(10)	(6)	(4)
: Care Experienced Children & Young people	21,771	23,685	1,914	0	0	0	21,771	23,685	1,914	1,449	465
: Head of Service - Children & Families	1,195	1,195	0	0	0	0	1,195	1,195	0	0	0
: Justice Services	2,378	2,378	0	0	0	0	2,378	2,378	0	0	0
: Universal Early Years	150	150	0	3,249	3,249	0	3,399	3,399	0	0	0
: Lead Partnership NHS Children's Services	0	0	0	435	435	0	435	435	0	0	0
CHIEF SOCIAL WORK OFFICER	2,584	1,884	(700)	0	0	0	2,584	1,884	(700)	(735)	35
PRIMARY CARE	0	0	0	49,530	49,530	0	49,530	49,530	0	0	0
ALLIED HEALTH PROFESSIONALS			0	8,900	8,776	(124)	8,900	8,776	(124)	(73)	(51)
COVID NHS	0	0	0	528	528	0	528	528	0	0	0
MANAGEMENT AND SUPPORT COSTS	11,134	9,682	(1,452)	2,829	3,061	232	13,963	12,743	(1,220)	(1,664)	444
OUTTURN ON A MANAGED BASIS	142,178	141,517	(661)	138,731	139,220	489	280,909	280,737	(172)	705	(877)
Return Hosted Over/Underspends East	0	0	0	0	(29)	(29)	0	(29)	(29)	(368)	339
Return Hosted Over/Underspends South	0	0	0	0	(28)	(28)	0	(28)	(28)	(350)	322
Receive Hosted Over/Underspends South	0	0	0	0	63	63	0	63	63	63	0
Receive Hosted Over/Underspends East	0	0	0	0	(223)	(223)	0	(223)	(223)	0	(223)
OUTTURN ON AN IJB BASIS	142,178	141,517	(661)	138,731	139,003	272	280,909	280,520	(389)	50	(439)

2022-23 Transformation Plan

Appendix B

Savings reference number	Project	Project Description	Deliverability Status	Saving/ Investment	Approved Saving 2022/23 £	Investment	Saving Delivered at Month 3 £	Projected Saving	Projected Shortfall 21/22 £
Children, Families and Justice Services									
SP/HSCP/20/1	Children and Young People - External Residential Placements	Monitor and review all placements with a view to reducing the overspend.	Red	Saving			-	-	
SP/HSCP/20/4	Adoption Allowances	Monitor Adoption Allowances. With a view to reduce the overspend	Red	Saving	59,535		-	59,535	
SP/HSCP/20/19	Fostering - reduce external placements.	Monitor Fostering Placements with a view to reduce the overspend	Red	Saving			-	-	
	Transport review	Review of costs relating to taxi utilisation and implementation of new electronic form. Aim to reduce transport budget in council. Links in with David Hammonds Transformation Project.	Red	Saving					
	Grow internal fostering capacity	Review capacity of existing foster carers with a view of increasing existing capacity	Amber	Cost neutral					
NACSTA4030	Fostering Short Breaks	Develop an inhouse short break service to replace the commissioned service provided by Cornerstone.	Amber	Saving			-	-	-
Mental Health and LD									
	Transformation of CAMHS - CAMHS Specification	CAMHS have reviewed and updated referral guidance to align with the CAMHS National Specification. Some risks identified in order to facilitate the continued changes are accommodation, and recruitment of clinical staff.	Amber	Investment		1,091,463			
	Transformation of CAMHS - CAMHS Age 25	CAMHS are developing specific pathways to provide care and support up to the age of 25 where appropriate e.g. Eating Disorders, Neuro, Personality Disorders, Early Psychosis.	Amber	Investment		623,402			
	Transformation of CAMHS - CAMHS Waiting List	Two external providers have been procured to support Neuro waiting for assessment (Purple House	Amber	Investment		311,701			

Savings reference number	Project	Project Description	Deliverability Status	Saving/ Investment	Approved Saving 2022/23 £	Investment	Saving Delivered at Month 4 £	Projected Saving	Projected Shortfall 21/22 £
	Transformation of CAMHS - CAMHS Psyc Waiting List	Clinical Director & Senior Manager agreed plan in order to reduce access to Psychiatry. In addition to this, 3 non-medical prescribers have been trained and are prescribing for ADHD clinics.	Amber	Investment		366,707			
	Transformation of CAMHS - Out of Hours Unscheduled Care	Recruitment and implementation of a new service to provide support to children and young people on an unscheduled basis. CAMHS are being commissioned by Paediatrics to deliver this service via Scottish Government funds.	Amber	Investment		86,294			
	Transformation of CAMHS - CAMHS Intensive Home Treatment	Recruitment is ongoing. Accommodation required to house team together. Ongoing development of policies and procedures for team in alignment with partners agencies	Amber	Investment		14,752			
	Transformation of CAMHS - CAMHS Liaison		Amber	Investment		129,073			
	Primary Care Mental Health investment	Creation of a business case to deliver Mental Health to Primary Care over the next 4 years. Allocation of funds will be incrementally increased over the duration of the next four years. North leading for Ayrshire.	Green	Investment		261,159			
	Continued review of models of care at Woodland View	A particular focus on rehabilitation models of care for MH building on learning from Warrix Avenue. Development of a business case for ARBD is also underway. A test of change for ward 7B will be reported through this workstream.	Amber						
	Implementation of MAT standards	Programme of work to set up the systems required to report on Medical Assisted Treatment standards for Addictions. The programme will be run on a pan ayrshire basis led by North. The national direction was for this to be led by Public Health but they have not started any recruitment so North will take forward in the meantime.	Green	Investment					
	Complex Care Model - Independent living change fund	Recruit the Intensive Support Team agreed through this fund and monitor progress of assessments of out of area placements. A dynamic register should be developed and maintained which will feed into national data.	Amber	Investment		513,000			
	ACORN business model	Mental Health Rehabilitation service needing help to transition to a social enterprise. Now incorporated within Caring for Ayrshire.	Red	Saving	-		-	-	-
	Implementation of Trakcare Patient Management System in Community Services	Implementation of new information recording system for NHS to report on 18 weeks RTT. This will include development of new processes and transfer of data from current system to the new one. This will allow for better recording of clinical activity and inform future DCAQ work. Adult community mental health will go live first followed by other community teams currently utilising Access databases. A Pan	Green	Cost neutral					
	Implementation of Unscheduled Care	Part of the national redesign of urgent care work. The aim of the mental health project is to deliver an integrated system to support mental health and wellbeing by utilising existing mental health services and enhancing their pathways for unscheduled	Green	Investment					

Savings reference number	Project	Project Description	Deliverability Status	Saving/ Investment	Approved Saving 2022/23 £	Investment	Saving Delivered at Month 4 £	Projected Saving	Projected Shortfall 21/22 £
Health and Community Care									
	TEC Solutions	To appoint a temporary 'Project Manager' post, who will oversee the procurement and installation of	Green	Investment		50,000		-	-
	Analogue to Digital	Funding received for a Project Manager to manage the process of moving all services users from analogue to digital technology.	Amber	Investment		996,000			
SP/HSCP/20/17	Care at Home - Service Review	This project will incorporate the review of the care at home job role and any implications for service as a	Amber	Investment				-	-
	Hospital Team Model		Green						
	Arran Integrated Services model	Continue to work towards an Integrated Hub on Arran building on the frailty work and developing a single point of contact for all health and social care services. It is anticipated there will be a substantial amount of investment required and a business case will be developed.	Green						
	Primary Care Investment Fund	Remodel how we deliver primary care locally, ensuring that multi-disciplinary teams are available in each medical practice across North Ayrshire. This will help ensure that when needed local people will get the right care and support they need	Green	Investment					
	HSCP MDT - Community Health & Care	Implement HSCP MDTs across each of the localities to support GP practices and HSCP service coordinate care for those with the most complex needs. This approach will replace Older People Local Operational Teams.'							
	Develop Care at Home - Minimum data set	Scope all current recording processes for data and look to consolidate a dataset that can be used for all reporting needs.		Cost neutral					
	AHP Whole System redesign	exercise; to better understand the distribution and contribution of AHPs in health and care in North Ayrshire, to support future workforce planning that maximises this contribution for the benefit of the people of North	Amber						
	Interim Beds	To utilise a one-off lump sum, provided by the Scottish Government, to provide interim beds, for a maximum of 6 weeks, for clients who will have an onward move to permanent care.	Green						

Savings reference number	Project	Project Description	Deliverability Status	Saving/ Investment	Approved Saving 2022/23 £	Investment	Saving Delivered at Month 4 £	Projected Saving	Projected Shortfall 21/22 £
Partnership Wide									
	Supported acc models - NAC housing/ Sleepover/ outreach model	Continue working with third sector providers to implement supported accommodation models in the	Green	Saving				-	-
	SDS Review	Engage with all stakeholders to look at how we encourage a more innovative and person centred approach to SDS. Implement an SDS Review Learning Board to help progress							
	Carers Review	Develop a resource release model for allocation of funds for carers as well as implement a short break service.	Amber	Saving			-	-	-
	Adult Complex Care Model - Call Monitoring	Review of call monitoring system for provision of adult community supports. This will include evaluation of current provision and development of a specification for future tender as the current contract is due to expire.							
	Implementation of Eclipse information system	Implementation of new information recording system for social care to replace Care First. This will include development of new protocols and transfer of data from current system to the new one.							
	Money matters and GP Practice Welfare Rights service	Facilitate the introduction of a money advise service available within GP practices.		Investment		78,000			
	Payroll Turnover Inflation	Monitor slippage through staff turnover with a view to meeting the savings target.		Saving	301,201		301,201	-	-
	Business Support Review (linked to Care at home review)	Scope and review the remit of the business support unit and how it could be adapted to the benefit of all HSCP teams.							
	North Elderly Mental Health inpatients (lead partnership)	Agree the spend going forward for the recurring savings achieved through bed retraction from Ailsa.		Saving	321,000		321,000	-	-
	HSCP Challenge Fund - invest to save	Monitoring of all projects approved through the Challenge Fund with a focus on invest to save ideas.							
	Transitions	Improve transition pathways from Childrens to Adult services as well as into older adults in order to improve outcomes for service users.							
	Caring for Ayrshire	The focus for Caring for Ayrshire is to bring a greater proportion of health provision into local communities. The Caring for Ayrshire work will ensure local GP practices are fit for purpose and have the capacity to host multi-disciplinary teams and meet local health and care needs.		Investment					
	Advocacy Strategy	Refresh of Advocacy strategy with a view to incorporating both adult and childrens services.		Cost neutral					

2022-23 Savings Tracker

Appendix C

Savings ref number	Description	Deliverability Status at budget setting	Approved Saving 2021/22 £m	Deliverability Status Month 4	Saving Delivered @ Month 4 £m	Projected to Deliver during Year £m	Projected Shortfall £m	Comment
1	Adoption Allowances	Amber	0.060	Amber	-	0.060	-	Currently projecting an overspend.
TOTAL SOCIAL CARE SAVINGS			0.060		0.000	0.060	0.000	

Savings ref number	Description	Deliverability Status at budget setting	Approved Saving 2021/22 £m	Deliverability Status Month 4	Saving Delivered @ Month 4 £m	Projected to Deliver during Year £m	Projected Shortfall £m	Comment
2	Payroll Turnover Inflation	Green	0.302	Blue	0.302		-	Achieved
3	Elderly Mental Health inpatients (lead partnership)	Green	0.321	Blue	0.321	-	-	Achieved
TOTAL HEALTH SAVINGS			0.623		0.623	0.000	0.000	
TOTAL NORTH HSCP SAVINGS			0.683		0.623	0.060	0.000	

2022-23 Budget Reconciliation

Appendix D

COUNCIL	Period	Permanent or Temporary	£'m
Initial Approved Budget			116.017
Base budget adjustments	1		(0.046)
Uploaded Budget			115.971
Resource Transfer	1	P	26.228
Software Licences transfer to IT	3	P	(0.002)
Montrose Cleaning Post to Facilities Management	3	P	(0.014)
Software Licences transfer to IT	4	P	(0.003)
Roundings			(0.002)
Budget Reported at Month 4			142.178

HEALTH	Period	Permanent or Temporary	£'m
Initial Approved Budget			163.988
Resource Transfer			(26.228)
Month 10-12 Adjustments			22.401
Adjust for Non-recurring funding			(22.408)
Full Year effect of Part Year Reductions			0.128
REVISED 22-23 BUDGET			137.881
Training Grade Adj - April	1	P	(0.064)
Vire No 2 - East to North CAMHS Admin	1	P	0.099
Band 2-4 SG Funding reduction	1	P	(0.007)
AHP Clinical Admin Budget Transfer	2	P	0.048
Dean Funding to Partnerships	2	P	0.085
Prescribing Uplift	2	P	1.631
Prescribing Cres	2	P	(0.715)
Prescribing out non schedule 5	2	P	(0.429)
Scottish Huntingtons Post	3	P	0.014
Daldorch Income Shortfall	3	P	0.045
Community Store Contributions	3	P	(0.006)
Iona/Lewis Patient to South	3	T	(0.046)
Marie Curie contract uplift	3	P	(0.004)
Trakcare/Huntingtons/ Daldorch	3	P	0.086
Staff Wellbeing Posts from OH&RD	4	P	0.193
Top Slicing Posts- Prescribing	4	P	(0.071)
Admin Post transferred to Medical Records	4	T	(0.034)
Naloxone for Police Scotland	4	T	0.026
Roundings	4		(0.001)
Budget Reported at Month 4			138.731

COMBINED BUDGET MONTH 4	280.909
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Mobilisation Submission – Month 4

Covid-19 Costs - HSCP - All														
Workstream Mapping	£000s	April	May	June	July	August	September	October	November	December	January	February	March	2022-23 Revenue Total
1. Public Health	Scale up of Public Health Measures	0	0	0	0	0	0	0	0	0	0	0	0	0
2. Vaccinations	Flu Vaccination & Covid-19 Vaccination (FVCV)	0	0	0	0	0	0	0	0	0	0	0	0	0
3. Workforce and Capacity	Additional Community Hospital Bed Capacity	0	0	0	0	0	0	0	0	0	0	0	0	0
3. Workforce and Capacity	Additional Staff Costs (Contracted staff)	36	50	65	179	105	105	105	105	105	105	105	31	1,096
3. Workforce and Capacity	Additional Staff Costs (Non-contracted staff)	51	49	47	0	0	0	0	0	0	0	0	0	147
4. PPE, Equipment and IPC	Additional Equipment and Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
4. PPE, Equipment and IPC	Additional Infection Prevention and Control Costs	0	0	0	0	0	0	0	0	0	0	0	0	0
4. PPE, Equipment and IPC	Additional PPE	27	27	27	38	38	38	38	38	37	37	37	37	418
4. PPE, Equipment and IPC	PPE Hub Running Costs	0	0	0	0	0	0	0	0	0	0	0	0	0
5. Social Care and Community Capacity	Additional Capacity in Community	9	9	10	0	0	0	0	0	0	0	0	0	28
5. Social Care and Community Capacity	Additional Care Home Placements	0	0	0	0	0	0	0	0	0	0	0	0	0
5. Social Care and Community Capacity	Adult Social Care	0	0	0	0	0	0	0	0	0	0	0	0	0
5. Social Care and Community Capacity	Children and Family Services	79	79	79	80	80	80	80	80	80	80	80	80	957
5. Social Care and Community Capacity	Homelessness and Criminal Justice Services	0	0	0	0	0	0	0	0	0	0	0	0	0
5. Social Care and Community Capacity	Reducing Delayed Discharge	0	0	0	0	0	0	0	0	0	0	0	0	0
5. Social Care and Community Capacity	Covid-19 Financial Support for Adult Social Care Providers	178	178	178	188	188	189	0	0	0	0	0	0	1,100
5. Social Care and Community Capacity	Social Care Support Fund Claims	0	0	0	0	0	0	0	0	0	0	0	0	0
5. Social Care and Community Capacity	Chief Social Work Officer	0	0	0	0	0	0	0	0	0	0	0	0	0
6. Primary Care	Additional FHS Contractor Costs	13	13	13	12	12	12	0	0	0	0	0	0	75
6. Primary Care	Primary Care	0	0	0	0	0	0	0	0	0	0	0	0	0
7. Miscellaneous	Digital & IT costs	0	0	0	0	0	0	0	0	0	0	0	0	0
7. Miscellaneous	Loss of Income	41	41	41	41	41	41	0	0	0	0	0	0	246
7. Miscellaneous	Other	(0)	0	(0)	0	0	0	0	0	0	0	0	0	0
7. Miscellaneous	Payments to Third Parties	0	0	0	0	0	0	0	0	0	0	0	0	0
7. Miscellaneous	Staff Wellbeing	0	0	0	0	0	0	0	0	0	0	0	0	0
7. Miscellaneous	Patient Transport	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Covid Costs - HSCP - All		434	447	460	538	464	465	223	223	222	222	222	148	4,067

Reserves Position in Detail

Earmarked Funds	
: Alcohol & Drug Partnership	890
: Mental Health Action 15	511
: Primary Care Improvement Fund	1,856
: 21-22 Budget Gap	0
: Challenge Fund	500
: Community Living Change Fund	513
: Covid19 Funding	13,321
: Neighbourhood Networks	145
: Mental Health Officer Development Grant	41
: NAC Recovery and Renewal – Mental Health Element	71
: Joint Equipment	5
: Nethermain's Adaptations	40
: Supported Accommodation	50
: Care at Home Capacity	1,192
: Interim Care	1,046
: Trauma Training	50
: Trauma Trainer	48
: Family Wellbeing Fund	106
: Perinatal MH Nurse	65
: Unaccompanied Asylum-Seeking Children	11
: Multi-Disciplinary Teams	644
: Health Care Support Workers	144
: MH Recovery and Renewal	2,057
: Medical photography	4
: Data Sims	28
: School Nursing	56
: Buvidal	109
: AHP Winter Funding	51
: Perinatal and Infant Mental Health	86
: Cossette Funding	18
: Replacement Mattress Programme	78
: Expansion of Primary Care Estates	55
: GP Premises Improvements - tranches 1 and 2	81
: Mental Health Wellbeing in Primary Care	40
: Dental Practice Improvement	265
: Dental Winter Preparedness	128
Total Earmarked	24,305
Outstanding Debt	(2,321)
Unallocated General Fund	7,248
General Fund	29,232