

Subject:	Budget Monitoring – Month 7 (October 2018)
Purpose:	To provide an update on the projected financial outturn for the financial year as at October 2018.
Recommendation:	<p>It is recommended that the IJB:</p> <ul style="list-style-type: none"> a) Note the projected year-end overspend of £0.481m; b) Approve the changes in funding as detailed in section 2.12 and Appendix E; and c) Note the impact of the financial recovery plan and the progress being made in delivering financial balance.

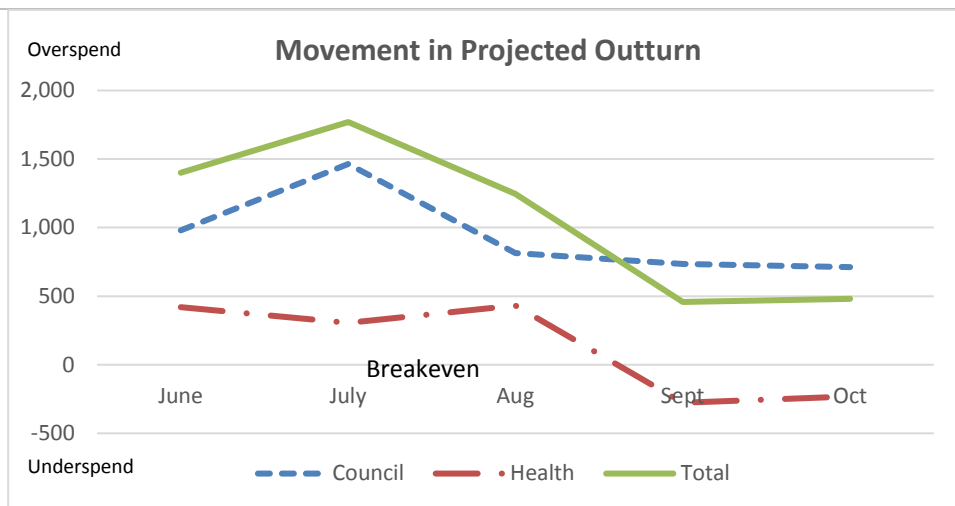
Glossary of Terms	
NHS AA	NHS Ayrshire and Arran
HSCP	Health and Social Care Partnership
MH	Mental Health
CAMHS	Child & Adolescent Mental Health Services
BRAG	Blue, Red, Amber, Green
UNPACS	UNPACS, (UNPlanned Activities) – Extra Contractual Referrals
ARG	Allocation of Resources Group
CRES	Cash Releasing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

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 October 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 £0.481m for 2018-19, taking account a number of mitigating actions outlined in the report and the improvement from implementation of the financial recovery plan. 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.
1.3	The position as at September was a projected overspend of £0.458m, this excluded the impact of the workforce savings target therefore a deterioration in the position is now reported. The projected outturn position has not changed materially which provides assurance over the reliability of projections and further confidence that the

	<p>scale of the projected overspend is reducing to a level whereby financial balance is possible by the year-end.</p> <p>There are further actions on the financial recovery plan which will potentially further improve the position and services will continue to deploy tight financial management controls. If the financial recovery plan does not deliver the required improvement to the financial position or there is a significant deterioration to the projected position there is a risk that further actions will require to be identified and service quality and performance may be compromised to achieve financial balance.</p>
1.4	<p>Overall the main areas of pressure continue to be care homes, looked after children, learning disability care packages, elderly and adult in-patients within the lead partnership and the unallocated NHS CRES savings.</p> <p>The main adverse movements from period 6 are in relation to independent living services, charging order income and residential placements for children. The main favourable movement was in relation to community mental health reflecting resource following patients from hospital to community.</p>
1.5	<p>It is essential that the IJB operates within the delegated budget and commissions services from the Council and Health Board on this basis. Financial balance has not been delivered in previous years and in the current financial year there is a projected overspend position. More is being done to ensure the financial sustainability of the partnership and to deliver financial balance for the current year and significant progress is being made to work towards this. The service transformation programme and the delivery of the 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>
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, an update on progress in terms of savings delivery, actions required to work towards financial balance and progress with delivery of the recovery plan.</p>
	FINANCIAL PERFORMANCE
2.2	<p>Against the full-year budget of £234.552m there is a projected overspend of £0.481m (0.2%). 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 £0.712m in social care services partly offset by a projected underspend of £0.231m 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 with detailed analysis provided in Appendix B.</p>
2.3	Health and Community Care Services
	<p>Against the full-year budget of £65.279m there is a projected overspend of £0.137m (0.2%). The main reasons for the projected overspend are:</p> <ul style="list-style-type: none"> a) Care home placements including respite placements – projected to overspend by £0.885m. This is a favourable movement of £0.035m from period 6 mainly due to reduced use of respite placements.

	<p>b) Independent Living Services are projected to overspend by £0.382m which is an adverse movement of £0.088m mainly due to two new residential care packages.</p> <p>c) Over-recovery of Charging Order income of £0.200m which is an adverse movement of £0.090m based on a review of projected income.</p> <p>d) Equipment and Adaptations are projected to underspend by £0.200m in line with the mitigation approved in period 4.</p> <p>e) Packages of care are projected to overspend by £0.230m due to the use of supplementary staffing and one additional package assumed from early 2019 onwards.</p> <p>f) Care at home (purchased and in house) projected underspend of £0.612m. The projected underspend has reduced by £0.048m due to increased demand..</p> <p>g) Long Term Conditions (Ward 1), projected overspend of £0.411m 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 addressed as part of the 2019-20 budget process.</p> <p>h) District Nursing is projected to underspend by £0.165m due to vacant posts.</p>
2.4	Mental Health Services
	<p>Against the full-year budget of £72.875m there is a projected overspend of £0.133m (0.2%). The main reasons for the projected overspend are:</p> <p>a) Learning Disabilities – projected overspend of £0.685m of which £0.635m is in relation to care packages and £0.223m for direct payments. These overspends are partially offset by vacant posts.</p> <p>b) Community Mental Health – is projected to underspend by £0.524m mainly due to vacancy savings and an underspend in care packages. The underspend in care packages has increased by £0.195m due to funding being released for patients being discharged from hospital into the community.</p> <p>c) Lead Partnership – overall projected overspend of £0.056m which consists of:</p> <p><i>Overspends:</i></p> <ul style="list-style-type: none"> • Adult inpatients £0.466m - mainly due to the delay in generating income from other areas in respect of forensic beds. All of the beds are expected to be sold and in use by the end of January 2019. The recovery plan assumes a fifth bed will be sold prior to the end of the financial year. This is dependent on ensuring delayed discharges in ward 6 are discharged to the community. This is a risk as some of the delayed discharges are South partnership patients and would require SAHSCP to provide funding to facilitate the discharge. • Psychiatry £0.131m - primarily due to locum costs, an unfunded EMH liaison post and a reduction in funding for trainee psychiatrists. There is an

	<p>increased use of locum staff in the absence of being able to recruit permanent posts.</p> <ul style="list-style-type: none"> • Elderly Inpatients £0.399m – due to the use of supplementary staffing. • CRES £0.986m - lead partnership share of the unachieved CRES carried forward, this element of the historic CRES will remain aligned to the Mental Health lead partnership and will be addressed as part of the budget planning for 2019-20. <p><i>Underspends:</i></p> <ul style="list-style-type: none"> • UNPACS £0.334m – due to the delay in the two new care packages assumed in year. The underspend is partially attributable to the availability and use of beds in ward 6 which have prevented more costly external placements. • Learning Disabilities £0.261m - due to a delay in the transfer of an UnPACs patient, this transfer has now taken place. • CAMHS £0.370m – due to vacancies and delays with recruitment. • Psychology £0.430m – due to vacancies.
2.5	Children Services & Criminal Justice
	<p>Against the full-year budget of £35.235m there is a projected underspend of £0.275m (0.8%). The main reasons for the projected underspend are:</p> <ul style="list-style-type: none"> a) Residential Schools and Community Placements – projected overspend of £0.812m. The projection is based on the current number of placements and estimated discharge dates for each placement based on the support from the Challenge Fund investment. The overspend has increased by £0.069m due to a delay in the planned discharge dates, the delivery of further planned discharges continues to be a risk to the projected outturn position. b) Looked After Children Placements – projected underspend of £0.408m due to the current demand for fostering, adoption and kinship payments. The underspend has decreased by £0.026m mainly due changes in the assumptions on future demand. c) Early Years – are projected to underspend by £0.472m mainly due to the level of vacancies in health visiting.
2.6	Projected Outturn Movement
	The movement in the projected outturn position is illustrated in the chart below:



The position has fluctuated significantly in the five months of reporting this financial year. This is reflective of the demand driven nature and high cost of some services. The position has significantly improved and become more stable period 5 mainly because the adverse movements have been offset by favourable variances, the position will continue to be closely monitored.

There are a number of high risk areas that may impact on the movement in the projected outturn position in future months:

- Children's Residential School Placements
- Remand Placements within Children's Services
- Learning Disability Care Packages
- Local Government pay award settlement
- Impact of any delays in discharge of South Ayrshire patients
- Impact of Lead Partnership services

2.7 Primary Care - Prescribing

Against a full year budget of £49.308m primary care prescribing and general medical services are projected to be underspend by £0.086m, this is in relation to an underspend in enhanced services.

2.8 CRES update

	Permanent or Temporary	£ 000's
CRES Saving brought forward		2.557
Additional Workforce savings	P	0.055
TOTAL		2.612
Arrol Park employee costs	T	(0.250)
Payroll turnover target increase	T	(0.215)
Addictions	P	(0.364)
Children's services employee costs	P	(0.060)
Balance still to be achieved in 2018-19		1.723

Of the £1.723m still to be achieved £0.986m is allocated to the Lead Partnership for Mental Health and the balance of £0.737m remains to be allocated across other services and is reported against Management and Support costs.

Given that overall there is a projected underspend in the Health element of the budget the unidentified CRES savings are being offset on a non-recurring basis for 2018-19.

There is a requirement to formally identify these savings as part of the 2019-20 budget process.

The £0.986m aligned to the Lead Partnership against Mental Health services should remain aligned to those services. The service are developing plans to re-design Elderly Mental Health beds, this will deliver significant savings to contribute to this target. The business case for the review will be brought to a future IJB meeting for approval.

2.9

Savings Progress

- a) The 2018-19 budget included £4.003m of savings plus £2.557m of carried forward NHS CRES savings (total £6.560m). A further workforce saving of £0.055m was approved in period 6 taking the total to £6.615m.

BRAG Status	Position at Budget Approval £m	Position at Period 7 £m
Red	3.148	2.424
Amber	0.519	0.649
Green	2.893	0.676
Blue	0.000	2.866
TOTAL	6.560	6.615

- b) The projected year-end outturn position assumes that the Red savings will not be delivered as planned and this is reflected in the overall projected outturn position, these are:

- i. Reduction in care home places £0.391m
- ii. Challenge Fund – physical disability care packages £0.200m
- iii. Capping of respite £0.070m
- iv. NHS CRES savings carried forward £1.668m
- v. Reduction in mileage - £0.040m
- vi. Additional Workforce saving - £0.055m

If progress is made to deliver the savings this would improve the overall outturn position. It is encouraging that the level of savings with red status has reduced since the budget was approved, recognising a greater level of confidence of delivery and the progress made so far with identifying savings against the CRES target.

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 full detail on the savings.

A 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 solutions focussed approach to bringing programmes back on track. This also includes ensuring we have the right resources in place to support the delivery of service change programmes.

2.10

Financial Recovery Plan

	<p>The IJB approved the recovery plan in August and progress against this is provided in appendix D. The impact of the plan so far has been to improve the financial position by £0.740m.</p> <p>There are a number of additional actions noted on the plan for which the financial impact cannot be quantified at this stage but these actions are expected to contribute positively to the financial position.</p> <p>The plan will be an iterative document to remain under review. Progress with the financial recovery plan will continue to be monitored to ensure it has the required impact. There is a risk that if the planned impact is not achieved that further actions will require to be added to the plan and these may include actions that would impact on the quality and performance of front line services.</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 E highlights the movement in the overall budget position for the partnership following the initial approved budget.</p> <p><i>Reductions Requiring Approval:</i></p> <p>The specific reductions that the IJB are required to approve are:</p> <ul style="list-style-type: none"> • Medical Pay Award £0.064m – correction to the pay award uplift which was wrongly allocated last month.. • Ailsa Hairdressing £0.011m – transferred to the South partnership. • Medical Training Grade adjustment £0.009m - NES have reduced the number of posts being funded by 0.4WTE. <p>It is recommended that the IJB approve the budget reductions outlined above.</p> <p><i>Future Planned Changes:</i></p> <p>Further areas which are outstanding and will be included in future reports include:</p> <ul style="list-style-type: none"> • The North Ayrshire share of the Intermediate Care and Rehab (ICR) investment; • The disaggregation of some mental health wards from the lead partnership arrangement.
2.12	<p>Lead Partnerships</p> <p><i>North Ayrshire HSCP</i> Services managed under Lead Partnership arrangements by North Ayrshire Health and Social Care Partnership are projected to be £0.043m overspent, this includes the allocation of the unachieved CRES target carried forward.</p> <p><i>South Ayrshire HSCP</i></p>

	<p>Services hosted and/or led by the South Partnership are forecast to overspend by £0.200m as at month 7. This primarily relates to a projected overspend of £0.212m over on the Community Equipment Store.</p>
	<p><i>East Ayrshire HSCP</i></p> <p>Services managed under Lead Partnership arrangements by East Ayrshire Health and Social Care Partnership are projected to overspend by £0.295m. This represents an improved position on the £1.211m month 4 projected overspend.</p> <p>The overall Primary Care Lead Partnership projected overspend is £0.398m and this variance mainly relates to additional payments within Primary Medical Services to GP practices currently experiencing difficulty (£0.785m). This pressure was offset in the previous financial year by non-recurring slippage on the Primary Care Transformation Fund, as well as non-recurring Dental Services savings. A non-recurring allocation of funding for Out of Hours services £0.305m which has been applied to Ayrshire Urgent Care Services (AUCS) has assisted in reducing the projected overspend. The overspend for AUCS is £0.165m which has improved due to a redesign of appointment allocation and better control of rates through positive management action.</p> <p>Dental Services is projected to underspend by £0.475m however it should be noted that recruitment is ongoing for specialist posts which may impact in the final quarter of the current financial year.</p> <p>Prison and Police Healthcare is projected to underspend by £0.095m predominately as a result of staffing savings which have resulted from vacancies within the service.</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>
2.13	<p>Set Aside</p> <p>The Integration Scheme makes provision for the Set Aside Budget to be managed in-year by the Health Board with any recurring over or under spend being considered as part of the annual budget setting process.</p> <p>The 2018-19 set aside budget for North HSCP is £28.055m, based on expenditure in 2017-18. The acute directorate, which includes the areas covered by the set aside budget, is projected to overspend of circa £11.4m.</p> <p>129 additional and unfunded beds were open at the 31st March 2018. This had reduced to 58 by the 31st October 2018. There are clear plans in place to reduce these in a phased manner ensuring continuation of service and patient safety.</p> <p>During 2017-18 the North Partnerships use of the set aside resources was £28.055m against the NRAC 'fair share' of £26.563m which is £1.492m 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&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.	PROPOSALS
3.1	<u>Anticipated Outcomes</u>
	<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 2018-19 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	<u>Measuring Impact</u>
	Updates to the financial position will be reported to the IJB throughout 2018-19.
4.	IMPLICATIONS

Financial:	<p>The financial implications are as outlined in the report.</p> <p>Against the full-year budget of £234.552m there is a projected overspend of £0.481m (0.2%). The report outlines the action being taken and proposed action to reduce the projected overspend.</p> <p>The recovery plan totals £1.255m with £0.740m delivered to date. There are a number of other actions are being progressed to reduce the overspend further.</p> <p>The main areas of financial risk which may impact on this position are highlighted in the report.</p>
Human Resources:	None
Legal:	None
Equality:	None
Children and Young People	None
Environmental & Sustainability:	None
Key Priorities:	None
Risk Implications:	If the financial recovery plan does not deliver the required improvement to the financial position there is a risk that further actions will require to be identified and service quality and performance may be compromised to achieve financial balance.
Community Benefits:	None

	Direction to :-	
	1. No Direction Required	√

Direction Required to Council, Health Board or Both	2. North Ayrshire Council	
	3. NHS Ayrshire & Arran	
	4. North Ayrshire Council and NHS Ayrshire & Arran	

4.	CONSULTATION
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>
5.	CONCLUSION
5.1	<p>It is recommended that the IJB:</p> <ul style="list-style-type: none"> a) Note the projected year-end overspend of £0.481m; b) Approve the changes in funding as detailed in section 2.12 and Appendix E; and c) Note the impact of the financial recovery plan and the progress being made in delivering financial balance.

For more information please contact:

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2018-19 Budget Monitoring Report–Objective Summary as at 31 October 2018

Appendix A

Partnership Budget - Objective Summary	2018/19 Budget									2018/19	
	Council			Health			TOTAL			Over/ (Under) Spend Variance at Period 6	Movement in projected budget variance from Period 6
	Budget	Projected Outturn	Projected Over/ (Under) Spend Variance	Budget	Projected Outturn	Projected Over/ (Under) Spend Variance	Budget	Projected Outturn	Projected Over/ (Under) Spend Variance		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
COMMUNITY CARE AND HEALTH	53,591	53,589	(2)	11,688	11,827	139	65,279	65,416	137	(156)	293
: Locality Services	24,708	25,488	780	4,178	4,260	82	28,886	29,748	862	691	171
: Community Care Service Delivery	25,793	25,231	(562)	0	0	0	25,793	25,231	(562)	(613)	51
: Rehabilitation and Reablement	1,017	903	(114)	1,437	1,286	(151)	2,454	2,189	(265)	(322)	57
: Long Term Conditions	1,735	1,624	(111)	4,315	4,575	260	6,050	6,199	149	114	35
: Integrated Island Services	338	343	5	1,758	1,706	(52)	2,096	2,049	(47)	(26)	(21)
MENTAL HEALTH SERVICES	23,514	24,017	503	49,361	48,991	(370)	72,875	73,008	133	370	(237)
: Learning Disabilities	18,000	18,813	813	477	349	(128)	18,477	19,162	685	757	(72)
: Community Mental Health	4,131	3,856	(275)	1,628	1,379	(249)	5,759	5,235	(524)	(329)	(195)
: Addictions	1,383	1,348	(35)	1,226	1,177	(49)	2,609	2,525	(84)	(84)	0
: Lead Partnership Mental Health NHS Area Wide	0	0	0	46,030	46,086	56	46,030	46,086	56	26	30
CHIDREN'S AND JUSTICE SERVICES	31,712	31,829	117	3,523	3,131	(392)	35,235	34,960	(275)	(247)	(28)
: Intervention Services	3,772	3,696	(76)	303	317	14	4,075	4,013	(62)	(74)	12
: Looked After & Accomodated Children	16,229	16,680	451	0	0	0	16,229	16,680	451	356	95
: Fieldwork	4,588	4,572	(16)	0	0	0	4,588	4,572	(16)	21	(37)
: CCSF	319	266	(53)	0	0	0	319	266	(53)	(42)	(11)
: Justice Services	2,655	2,655	0	0	0	0	2,655	2,655	0	0	0
: Early Years	321	242	(79)	2,847	2,454	(393)	3,168	2,696	(472)	(469)	(3)
: Policy & Practice	3,828	3,718	(110)	0	0	0	3,828	3,718	(110)	(25)	(85)
: Lead Partnership NHS Children's Services Area Wide	0	0	0	373	360	(13)	373	360	(13)	(14)	1
PRIMARY CARE	0	0	0	49,308	49,222	(86)	49,308	49,222	(86)	(86)	0
ALLIED HEALTH PROFESSIONALS				4,570	4,417	(153)	4,570	4,417	(153)	(152)	(1)
MANAGEMENT AND SUPPORT COSTS	4,883	5,006	123	460	1,074	614	5,343	6,080	737	677	60
CHANGE PROGRAMME	658	629	(29)	1,284	1,301	17	1,942	1,930	(12)	52	(64)
TOTAL	114,358	115,070	712	120,194	119,963	(231)	234,552	235,033	481	458	23

2018-19 Budget Monitoring Report – Detailed Variance Analysis per service

Appendix B

	Budget £000's	Projected Outturn £000's	Projected Over/ (Under) Spend Variance £000's	
COMMUNITY CARE AND HEALTH	65,279	65,416	137	
Locality Services	28,886	29,748	862	<p>Older People permanent care homes - permanent placements are projected overspend of £0.930m based on 841 placements (584 Nursing and 257 Residential) and an assumption that placements are on a one in one basis to the end of the year. This is an increase of 5 places from prior month. Respite care projected overspend of £0.045m, favourable movement of £0.042m based on the spend to date. This also reflects the £0.300m of agreed funding from the Carers allocation which was agreed as part of the recovery plan in period 4.</p> <p>Independent Living Services :</p> <ul style="list-style-type: none"> * Direct Payment packages projected underspend of £0.093m on 59 current packages. * Indirect Payment packages no charges to date, projected underspend £0.045m based on prior year spend. * Adult respite care projected overspend £0.050m based on current spend to date. * Residential Packages projected overspend of £0.042m which is an adverse movement of £0.067m based on 39 current packages and an expected net decrease in packages of 2. * Community Packages (physical disability) overspend of £0.428m based on 64 current packages, and an expected decrease of 1 package. <p>Equipment Budget - £0.318m budget for equipment- projected £0.100m underspend in line with approved mitigation.</p> <p>Employee costs - projected £0.188m underspend: Money Matters structure approved resulting in part year vacancies.</p> <p>NHS Packages of Care - projected overspend of £0.230m due to high use of supplementary staffing.</p> <p>District Nursing - projected underspend of £0.165m assuming Band 6 vacancies are filled.</p> <p>Income from Charging Orders - over recovery of £0.200m expected per income received to date and projected income receivable.</p>
Community Care Service Delivery	25,793	25,231	(562)	<p>Care at home</p> <ul style="list-style-type: none"> - in house service - projected underspend of £0.342m based on current costs. The cost of recruiting 30 staff in October and November will be funded by a reduction in casual and overtime costs. - Purchased Care at home - projected underspend of £0.270m based on current level of spend continuing to end of year. <p>Direct Payments - projected underspend of £0.056m based on 33 current package less 10% expected recovery from underspent balances.</p> <p>Transport costs - projected overspend of £0.079m due to increase in staff mileage within care at home and ferry charges.</p> <p>Admin costs - projected overspend of £0.099m mainly due to mobile phone equipment.</p> <p>Voluntary Organisations - projected overspend £0.080m (CLASP HOPE £0.020m and Alzheimer £0.060m).</p> <p>Income - projected over recovery £0.142m based on current receipts and an increase in Community Alarm income.</p>

	Budget £000's	Projected Outturn £000's	Projected Over/ (Under) Spend Variance £000's	
Rehabilitation and Reablement	2,454	2,189	(265)	Employee costs - projected underspend £0.190m due to vacancies. Adaptations Budget - £0.487m - projected £0.100m underspend in line with approved mitigation.
Long Term Conditions	6,050	6,199	149	Carers Centres - projected £0.100m underspend based on additional funding for the Carers Strategy. Ward 1 - projected overspend of £0.411m assuming current staffing levels continue. Ward 2 - projected underspend of £0.045m, assuming funding from East HSCP for Kirklandside Ward. Elderly CMHT - projected underspend of £0.097m assuming current staffing levels continue.
Integrated Island Services	2,096	2,049	(47)	Outwith the threshold for reporting
MENTAL HEALTH SERVICES	72,875	73,008	133	
Learning Disabilities	18,477	19,162	685	Residential Packages - projected underspend of £0.038m based on current 38 packages £2.439m less 2% invoice variances. Community Packages - projected overspend of £0.635m based on current 338 packages less 9.75% invoice variances and a net movement in year of 3 new packages. Challenge Fund savings of £0.256m expected to be achieved. Direct Payments - projected overspend of £0.223m based on 40 current packages less 10% underspent balances and an expected increase of 3 packages in year. Employee costs - projected underspend £0.220m mainly due to vacant posts Income - projected under recovery of £0.100m based on current receipts and no income from other local authorities for use of Taigh Mor respite service as this is being fully utilised to meet the respite needs of North service users.
Community Mental Health	5,759	5,235	(524)	Community Packages - projected underspend of £0.276m based on 99 packages less assumed invoice differences between planned and actual service delivered plus a net increased of 4 packages. This underspend includes £0.150m in relation to additional funding projected for hospital discharges. Employee costs - projected underspend £0.249m mainly due to vacant posts
Addictions	2,609	2,525	(84)	Addictions Team - projected underspend of £0.084m due to in year vacancies. Assumes that any ADP underspend will require to be carried forward for use in future years.

	Budget £000's	Projected Outturn £000's	Projected Over/ (Under) Spend Variance £000's	
Lead Partnership (MHS)	46,030	46,086	56	<p>Adult Community - projected underspend of £0.079m due to vacancies in the crisis team.</p> <p>Adult Inpatients- projected overspend of £0.466m due to a delay in bed sale income. The projection assumes three low secure beds from November and a further bed from January.</p> <p>UNPACs - projected to underspend by £0.334m. Assumption that there will be no change to NHS GG&C charge and there will be 2 new care packages in-year.</p> <p>LDS - projected to underspend by £0.261m due to delay in UNPACs transfer.</p> <p>Elderly Inpatients - projected to overspend by £0.399m due to use of supplementary staff.</p> <p>CAMHS - projected underspend is £0.370m based on projected staffing levels.</p> <p>MH Admin - projected underspend of £0.076m. This is after the transfer of services to East and South.</p> <p>Psychiatry - projected to overspend by £0.131m, primarily due to locums and a reduction in Dean funding. EMH Liaison post remains unfunded.</p> <p>MH Pharmacy - projected to underspend by £0.082m mainly within substitute prescribing due to the benefit on over-accrual in 2017-18.</p> <p>Psychology- projected to underspend by £0.430m based on projected staffing levels.</p> <p>CRES target - projected overspend of £0.986m in relation to savings still to be identified.</p> <p>Projected underspends in other areas - include Associate Nurse Director budgets £0.033m, slippage on mental health allocations of £0.070m and resource transfer reserve £0.098m.</p>
CHIDREN'S SERVICES AND CRIMINAL JUSTICE	35,235	34,960	(275)	
Intervention Services	4,075	4,013	(62)	<p>Employee costs - projected underspend £0.147m mainly due to vacant posts.</p> <p>Care Leavers - projected overspend Of £0.057m based on current number of service users.</p>

	Budget £000's	Projected Outturn £000's	Projected Over/ (Under) Spend Variance £000's	
Looked After & Accom Children	16,229	16,680	451	<p><u>Looked After Children placements - projected underspend of £0.408m based on the following:-</u></p> <p>Kinship - projected overspend of £0.167m. Budget for 302 placements, currently 319 placements and projecting 320 by the year end.</p> <p>Adoption - projected underspend of £0.028m. Budget for 78 placements, currently 68 placements and projecting 71 by the year end.</p> <p>Fostering - projected underspend of £0.307m. Budget for 140 placements, currently 116 placements and projecting 130 placements by the year end.</p> <p>Fostering Xtra - projected underspend of £0.142m. Budget for 32 placements, currently 26 placements and projecting 26 by the year end.</p> <p>Private fostering - projected underspend of £0.080m. Budget for 16 placements, currently 11 placements and projecting 12 by the year end.</p> <p>Fostering respite- projected on-line.</p> <p>IMPACCT carers - projected underspend of £0.007m based on 3 carers providing support for full year.</p> <p>Adoption Fees - projected overspend of £0.070m due to external agency fees and 2 placements from other Councils.</p> <p>Residential School placements including community packages - projecting an overspend of £0.812m. Projection based 2 current secure placements, one projected to December, one projected to March. 22 residential and community placements projected to leave as 1 in November, 1 in December, 6 in January and 1 from February with 13 placements remaining at March 2019.</p> <p>Remand budget of £100k, at present projection assumes this will be spent</p> <p>Employee Costs - projected underspend of £0.088m due to vacancies.</p>
Fieldwork	4,588	4,572	(16)	Outwith the threshold for reporting
CCSF	319	266	(53)	Employee costs - projected underspend £0.041m mainly due to vacant posts.
Criminal Justice	2,655	2,655	0	Assumed to come in line with budget
Early Years	3,168	2,696	(472)	<p>Employee costs - projected underspend of £0.418m due to vacancies.</p> <p>CAMHS budget - projected underspend of £0.056m</p>
Policy & Practice	3,828	3,718	(110)	Children with a disability care packages - projected underspend of £0.100m based on current placements.
Lead Partnership (CS & CJ)	373	360	(13)	Outwith the threshold for reporting

	Budget £000's	Projected Outturn £000's	Projected Over/ (Under) Spend Variance £000's	
PRIMARY CARE	49,308	49,222	(86)	Prescribing - projected underspend of £0.086m based on activity to date.
ALLIED HEALTH PROFESSIONALS	4,570	4,417	(153)	Employee costs - projected underspend due to vacancies.
Management & Support Services	5,343	6,080	737	CRES savings - projected overspend of £0.682m relating to CRES savings still to be identified and £0.055m in relation to workforce savings.
CHANGE PROGRAMME and challenge Fund	1,942	1,930	(12)	Outwith the threshold for reporting
TOTAL	234,552	235,033	481	

Threshold for reporting is + or - £50,000

North Ayrshire Health and Social Care Partnership

2018/19 Savings

Appendix C

Council Commissioned Services

Service	Description	RAG Status at budget setting	Updated Rag Status	Gross Saving 2018/19 £000's	Net Saving 2018/19 £000's	Net Saving Projected to be Achieved at Period 7 £000's	Projected Shortfall
Children & Criminal Justice	Children & Criminal Justice Challenge Fund Projects - Investment in Universal Early Years	Green	Amber	100	47	47	-
Children & Criminal Justice	Children & Criminal Justice Challenge Fund Projects - School-based Approach to Reducing Looked After (LAC)/Looked After and Accommodated Numbers(LAAC)	Green	Amber	200	106	106	-
Children & Criminal Justice	Children & Criminal Justice Challenge Fund Projects - Reduction in Needs for Residential School placements enhancing our community supports with a new team.	Green	Amber	536	340	340	-
Children & Criminal Justice	Children & Criminal Justice Challenge Fund Projects - Expansion of the Multi Agency Assessment and Screening Hub (MAASH)	Green	Amber	37	26	26	-
Children & Criminal Justice	Reallocation of Partnership Forum budget with associated savings	Green	Blue	40	40	40	-
Children & Criminal Justice	To reduce the Learning and Development team	Amber	Blue	75	75	75	-
Children & Criminal Justice	Reduction in Staffing	Green	Blue	25	25	25	-
Children & Criminal Justice	To discontinue the mentoring project for young people	Green	Green	25	25	25	-
Community Care & Health	Community Care & Health Challenge Fund Projects - Physical Disabilities	Green	Red	200	200	-	200
Community Care & Health	Community Care & Health Challenge Fund Projects - Reablement	Green	Blue	228	181	181	-
Community Care & Health	Reduction in staff from the Arran social work team	Amber	Blue	13	13	13	-
Community Care & Health	Withdrawal of funding to Crossroads, Largs	Green	Blue	14	14	14	-
Community Care & Health	Additional projected income	Green	Green	155	155	155	-
Community Care & Health	WRVS saving	Green	Blue	8	8	8	-
Community Care & Health	Reduction in Care Home Placements - proposal to reduce 25 placements.	Red	Red	391	391	-	391
Community Care & Health	Reduction in Care at Home	Red	Blue	200	200	200	-

Service	Description	RAG Status at budget setting	Updated Rag Status	Gross Saving 2018/19 £000's	Net Saving 2018/19 £000's	Net Saving Projected to be Achieved at Period 7 £000's	Projected Shortfall
Mental Health	Mental Health - Challenge Fund Projects	Green	Green	226	226	226	-
Mental Health	Redesign and recommission a mental health support service at a reduced cost.	Amber	Blue	30	30	30	-
Mental Health	Reduction in Caley Court Learning Disability Team.	Amber	Green	48	48	48	-
Mental Health	Reduction in staff at Hazeldene Day service	Amber	Green	35	35	35	-
Management & Support	Review all support secondments/posts which could be provided by parent organisations to the HSCP.	Amber	Blue	50	50	50	-
Management & Support	Operational savings generated by the business support review.	Amber	Green	150	150	150	-
Management & Support	Planning and Performance Team - reduction in staffing	Green	Green	37	37	37	-
Cross Service	Pilot Sickness Absence Taskforce within the HSCP	Green	Blue	100	75	75	-
Cross Service	Staff Mileage - 10% reduction across the partnership	Green	Red	40	40	-	40
Cross Service	Bring forward phase 2 Challenge Fund savings from 2019/20 to 2018/19	Green	Blue	250	250	250	-
Cross Service	Cap respite across all services to 35 days	Green	Amber	200	200	130	70
Change and Improvement	Change Team Restructure	Green	Blue	108	108	108	-
Change and Improvement	Integrated Care Fund - reduction in spend and discontinued projects	Green	Blue	218	218	218	-
TOTAL				3,739	3,313	2,612	701

NHS Commissioned Services

Appendix C

Service	Description	RAG Status at budget setting	Updated Rag Status	Gross Saving 2018/19 £000's	Net Saving 2018/19 £000's	Net Saving Projected to be Achieved at Period 7 £000's	Projected Shortfall
Change and Improvement	Integrated Care Fund - reduction in spend and discontinued projects	Green	Blue	242	242	242	-
Planning and Performance	Change Team Restructure	Green	Blue	108	108	108	-
Mental Health	Review of Psychology Services - Phase 2	Green	Blue	47	47	47	-
Mental Health	Prescribing - Secondary 1%	Amber	Blue	7	7	7	-
Mental Health	Add UNPACS 1%	Amber	Blue	23	23	23	-
Mental Health	Psychiatry 1%	Amber	Blue	55	55	55	-
Mental Health	Addictions 1%	Amber	Blue	13	13	13	-
Community Care & Health	Arran	Amber	Blue	20	20	20	-
Community Care & Health	Delayed Discharge Funding	Green	Blue	53	53	53	-
Community Care & Health	District Nursing Supplies	Green	Blue	7	7	7	-
Community Care & Health	Reduction in staffing - Arran	Green	Blue	30	30	30	-
Cross Service	Supplies	Green	Blue	80	80	80	-
Cross Service	Transport	Green	Blue	5	5	5	-
Cross Service	Savings carried forward from 2017/18	Red	Red	2,557	2,557	889	1,668
Cross Service	Workforce saving allocation	Red	Red	55	55	-	55
TOTAL				3,302	3,302	1,579	1,723
GRAND TOTAL				7,041	6,615	4,191	2,424

Financial Recovery Plan (IJB approved Sept 2018)
Appendix D

Ref	Service Area	Recovery Action Proposed	Status: Complete In Progress Delayed	Estimated Benefit £ 000's	Achieved (included in the projected outturn) £ 000's	Remaining Balance £ 000's	Responsible Officer
1	Care Homes	Phased reduction in care home numbers as more people will be supported at home. This would focus on a reduction in residential care placements by utilising the capacity in community services (eg care at home, district nursing) to support people to remain supported in their own homes.	Complete	200	200	-	Stephen Brown (David Rowland)
2	Learning Disability	From September there will be a full time care manager seconded to a dedicated learning disability review team. This will assist in achieving the planned Challenge Fund savings and contribute to the financial recovery plan.	In Progress	100	-	100	Thelma Bowers
3	Learning Disability	Sleepovers - the current sleepovers are being reviewed to assess which could be provided using the existing out of hours responder service. There is not currently a savings target aligned to sleepover services.	In Progress	100	-	100	Thelma Bowers
4	Learning Disability	Review of all 2:1 supports for clients, from reviews already undertaken a reduction has been delivered, plan to review remaining supports.	In Progress	75	-	75	Thelma Bowers
5	Cross Service	Review of all transition cases (e.g. LD adults aged 65+) to ensure the appropriate care is provided (saving is estimate net of alternative care provision).	In Progress	150	-	150	Thelma Bowers
6	Cross Service	Audit of compliance with the charging policy to ensure consistency of application across services.	In Progress	50	-	50	Caroline Whyte
7	Carers	Increased demand for Respite services, contributing to overall overspend, use element of Carers Act funding for support for respite. Non recurring basis for 2018-19, reviewed as part of 2019-20 budget in line with plan for Carer's Act funding and implementation.	Complete	300	300	-	Stephen Brown (David Rowland)
8	Equipment	Temporary reduction (2018-19 only) in the equipment budget due to the Challenge Fund investment being used to clear the waiting list. This will be kept under review together with any waiting lists and impact on delivery of community based services.	Complete	100	100	-	Stephen Brown (David Rowland)
9	Adaptations	Temporary reduction (2018-19 only) in the adaptations budget. This will be kept under review together with any waiting lists and impact on delivery of community based services.	Complete	100	100	-	Stephen Brown (David Rowland)
10	MH Inpatients	Current plans assume 4 bed sales to support service costs, actively market a 5th bed.	In Progress	40	-	40	Thelma Bowers
11	Learning Disability	Cease payment of Resource Transfer for a historic arrangement in relation to one patient moving outwith NHS A&A.	Complete	40	40	-	Thelma Bowers
TOTAL				1,255	740	515	

Other actions being taken:

Ref	Service Area	Action	Responsible Officer
1	Learning Disability	Extension of CM2000 to adult services which will enable payment to care providers based on actual service delivered. Greatest potential impact will be from 2019-20.	Thelma Bowers
2	Learning Disability	Developing alternative approaches to personal assistant provision to accompany service users to social events	Thelma Bowers
3	Learning Disability	Developing alternative approaches to transport for service users to social events.	Thelma Bowers
4	Cross Service	The partnership vacancy scrutiny group continues to review all vacant posts which leads to non-recurring savings. This has been added to by the NHS also undertaking a workforce management review group.	Stephen Brown
5	Cross Service	The absence pilot approved by the IJB in August may lead to reduced sickness rates and associated reduced absence related costs.	Julie Davis
6	Mental Health	A review and redesign of Elderly Mental Health wards is being undertaken. There will be no savings in 2018-19 but outcome may reduce the projected overspend.	Thelma Bowers
7	Commissioned services	Review all outstanding contractual uplifts	Caroline Whyte

2018/19 Budget Reconciliation

Appendix E

COUNCIL	Period	Permanent / Temporary	Budget £000's
Initial Approved Budget	2		92,353
Resource Transfer	2	P	22,317
ICF Procurement Posts - Transfer to Procurement	2	T	(89)
Additional Pension Costs	4	P	(9)
Reduction in Criminal Justice Settlement	5	P	(243)
Budget from Education - Activity Agreements at Rosemount	6	T	29
Period 7 reported budget			114,358

HEALTH	Period	Permanent / Temporary	Budget £000's
Initial Approved Budget (including estimated pay award funding)	2		138,638
Resource Transfer	2	P	(22,317)
GIRFEC – Health Visitors	3	P	47
Remove estimated pay award	4	P	(1,496)
Actual pay award	4	P	1,462
Specialist Pharmacist upgrade	4	P	11
MH Admin – transfer to East and South	5	P	(1,198)
NES junior doctor funding	5	P	(80)
HD424 - NMAHP Clinical Lead	5	P	16
Allocation of the AHP budget	6	P	4,570
Mental Health Strategy - Action 15	6	P	571
ADP CRES Reduction	6	P	462
Medical Pay Award	6	P	204
Medical Training Grade Adjustment	6	P	49
Band 3 Admin funding transferred from East	6	P	14
Breast Feeding Programme - Health Visitor	6	P	9
Mental Health Admin Split to South/East(Supplies)	6	P	(72)

Prescribing Reduction	6	P	(567)
Biggart Ward Closure 2017 - North Split	7	P	10
Medical Pay Award Correction	7	P	(64)
Ailsa Hairdressing transferred to South	7	P	(11)
Medical Training Grade Adjustment	7	P	(9)
Workforce saving allocation	7	P	(55)
Period 7 reported budget			120,194

GRAND TOTAL			234,552
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