

<b>Subject:</b>	<b>Budget Monitoring – Month 5 (August 2018)</b>
<b>Purpose:</b>	To provide an update on the projected financial outturn for the financial year as at August 2018.
<b>Recommendation:</b>	<p>It is recommended that the IJB:</p> <ul style="list-style-type: none"> <li>a) Note the projected year-end overspend of £1.247m;</li> <li>b) Note the movement in the projected outturn position and the future financial risk;</li> <li>c) Approve the changes in funding as detailed in Appendix E</li> <li>d) Note the progress and impact in relation to the financial recovery plan; and</li> <li>e) Note the financial position will continue to be closely monitored with a further update to the IJB in November</li> </ul>

<b>Glossary of Terms</b>	
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

<b>1.</b>	<b>EXECUTIVE SUMMARY</b>
1.1	This report reflects the position as at 31 August 2018. The report provides an overview of the financial position 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 by the IJB that although this report refers to the position at the August 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 £1.247m 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. The position as at July was a projected overspend of £1.770m prior to the approved financial recovery plan. To date £0.530m of this mitigation has been achieved and is reflected in the projected outturn. The improvement in the projected outturn position is encouraging, but it should be noted

	<p>that this was also expected due to areas of the financial recovery plan which intended to pause spending in areas where budget had not yet been committed.</p> <p>It has been highlighted that 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</p>
1.3	<p>The main areas of pressure continue to be care homes including respite placements, 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 4 are in relation to children's residential placements, adult and elderly inpatients. The main favourable movements are in relation to care homes (respite placements), equipment and adaptations.</p>
1.4	<p>The projected financial position assumes that the remaining balance of unallocated CRES for 2018-19 (£1.668m) will not be met in 2018-19. Work is ongoing with NHS AA to identify appropriate savings against this target. The Health Board indicated that this will be taken forward on a corporate basis, however the budget has been delegated to the IJB and on that basis this is being taken forward by the HSCP and will be co-ordinated by the Transformation Board with any decisions being referred to the IJB.</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. 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>
<b>2.</b>	<b>CURRENT POSITION</b>
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>
	<b>FINANCIAL PERFORMANCE</b>
2.2	<p>Against the full-year budget of £229.412m there is a projected overspend of £1.247m (0.55%).</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	<b>Health and Community Care Services</b>
	<p>Against the full-year budget of £65.279m there is a projected overspend of £0.243m (0.4%). The main reasons for the projected overspend are:</p> <p>a) Care home placements including respite placements – projected to overspend by £1.184m. This is a favourable movement of £0.509m from period 4 due to</p>

	<p>reduced use of respite placements, a reduction in permanent placements and a contribution from the Carers Act allocation.</p> <p>b) Independent Living Services are projected to overspend by £0.243m.</p> <p>c) Over-recovery of Charging Order income of £0.290m.</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 £0.275m due to the high 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 £0.603m. The projected underspend has increased by £0.090m as it is assumed the reablement saving will now be made.</p> <p>g) Long Term Conditions – projected overspend of £0.136m which is mainly due to an overspend in employee costs of £0.345m in Ward 1 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>
2.4	<p><b>Mental Health Services</b></p>
	<p>Against the full-year budget of £72.032m there is a projected overspend of £0.391m (0.5%). The main reasons for the projected overspend are:</p> <p>i. Learning Disabilities – projected overspend £0.695m which is mainly due to care packages.</p> <p>ii. Community Mental Health – is projected to underspend by £0.287m mainly due to vacancy savings and an underspend in care packages.</p> <p>iii. Lead Partnership – overall projected overspend of £0.071m which consists of:</p> <p><i>Overspends:</i></p> <ul style="list-style-type: none"> <li>• Adult inpatients £0.426m - 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 2018.</li> <li>• Psychiatry £0.230m - primarily due to locum costs, an unfunded EMH liaison post and a reduction in funding for trainee psychiatrists. There is an increased use of locum staff in the absence of being able to recruit permanent posts.</li> <li>• Elderly Inpatients £0.347m – taking into account an anticipated reduction in the use of supplementary staffing.</li> <li>• CRES £0.986m - lead partnership share of the unachieved CRES carried forward.</li> </ul>

### *Underspends:*

- UNPACS £0.167m - assuming that there will be two new care packages in year and the charge for the three year service level agreement for Rowanbank will be online. The underspend is partially attributable to the availability and use of beds in ward 6 which have prevented more costly external placements.
- Learning Disabilities £0.256m - due to a delay in the transfer of an UnPACs patient.

## 2.5 **Children Services & Criminal Justice**

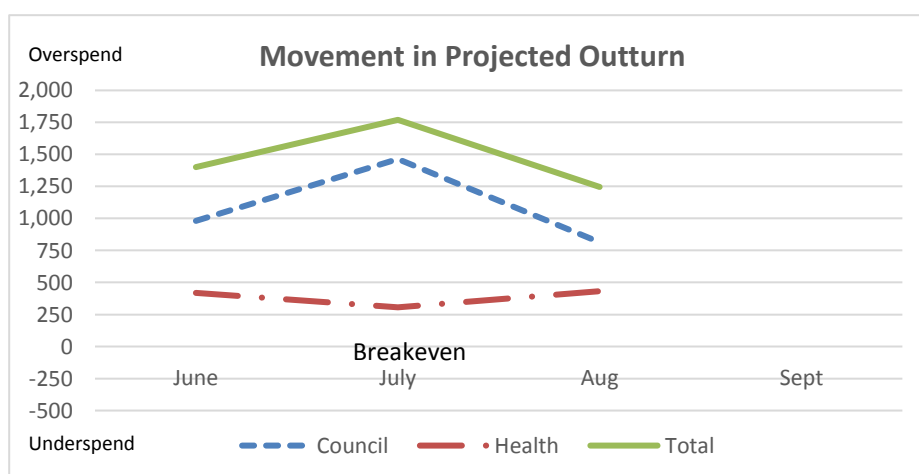
Against the full-year budget of £34.948m there is a projected overspend of £0.146m (0.4%). The main reasons for the projected overspend are:

- a) Residential Schools and Community Placements – projected overspend of £0.480m. The projection is based on the current number of placements and estimated discharge dates for each placement based on targeting the support from the Challenge Fund investment. The overspend has increased by £0.135m due to a delay in the discharge dates. The delay in expected discharge dates continues to be risk to the projected outturn position.
- b) Looked After Children Placements – projected underspend of £0.362m due to the current demand for fostering, adoption and kinship payments. The underspend has increased by £0.082m mainly due to a reduction in the assumptions on future demand.
- c) Early Years – are projected to underspend by £0.200m mainly due to the level of vacancies with health visiting.

- 2.6 There are a number of areas across all services which have been reported as variances for a period of time. A review of the budget allocations across services is ongoing to ensure budgets are aligned to current and future spending plans and to ensure that the financial reporting is enabling those operationally managing budgets, Heads of Service and ultimately the IJB are focussed on the main issues.

## 2.7 **Projected Outturn Movement**

The movement in the projected outturn position is illustrated in the chart below:



The position has fluctuated significantly in the three months of reporting this financial year, particularly in relation to social care services. This is reflective of the demand driven nature and high cost of some services.

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

In addition there is a comprehensive review of the projections for month 6 planned by the NHS finance team, this review may result in a more significant movement in the projected outturn for health delivered services, this will be reflected in the next monitoring report.

## 2.8 Primary Care - Prescribing

Against a full year budget of £49.875m primary care prescribing and general medical services are projected to be on-line. The GP prescribing uplift is an interim figure based on NRAC and will change once the detailed practice level budgets have been calculated.

## 2.9 CRES update

	Permanent or Temporary	£ 000's
<b>CRES Saving brought forward</b>		<b>2.557</b>
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)
<b>Balance still to be achieved in 2018-19</b>		<b>1.668</b>

The saving from Addictions has been reduced from the previously estimated £0.400m to reflect the funding requirement following the allocation of additional funding from the Scottish Government.

Of the £1.668m still to be achieved £0.986m is allocated to the Lead Partnership for Mental Health and the balance of £0.682m is aligned across all other services and is reported against Management and Support costs.

The financial projections currently assume that these savings will not be identified, however work is underway to identify opportunities for both recurring and non-recurring savings to offset the remaining target. Any further savings identified would reduce the overall partnership projected overspend.

Delivery of the recovery plan outlined in appendix D will partly offset the balance still to be achieved, where there are opportunities to convert financial recovery actions to recurring savings.

2.10	<p><b>Lead Partnerships</b></p> <p><b><i>North Ayrshire HSCP</i></b>  Services managed under Lead Partnership arrangements by North Ayrshire Health and Social Care Partnership are projected to be £0.056m underspent, this includes the allocation of the unachieved CRES target carried forward.</p> <p>South and East Ayrshire do not report at period 5. The information below relates to their position as at period 4.</p> <p><b><i>South Ayrshire HSCP</i></b>  Services managed under Lead Partnership arrangements by South Ayrshire Health and Social Care Partnership are projected to be on-line. The Allied Health Professions budget will be managed differently from 2018-19 with the budget delegated back to the three Partnerships. The split of the AHP budget (approximately £20.0m) has still to be finalised and a report on this will be presented to all three IJBs in due course.</p> <p><b><i>East Ayrshire HSCP</i></b>  Services managed under Lead Partnership arrangements by East Ayrshire Health and Social Care Partnership are projected to overspend by £1.108m.</p> <p>The overall Primary Care Lead Partnership projected overspend is £1.211m and this mainly relates to additional payments within Primary Medical Services to GP practices currently experiencing difficulty. This pressure was offset in the previous financial year by non-recurring savings.</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>
2.11	<p><b>Set Aside</b></p> <p>The Integration Scheme makes provision for the Set Aside Budget to be managed in-year by the Health Board with any recurring over or under spend being considered as part of the annual budget setting process.</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 overspent by £5.6m after 5 months. The projected year-end position is an overspend of circa £10m.</p> <p>129 additional and unfunded beds were open at the 31st March 2018. This had reduced to 35 by the 31st August 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'. Further work is required to ensure that the Set Aside budget is operating in line with Scottish Government expectations and is operating in the way required to ensure the IJB can have the desired impact on the whole pathway of care.</p>

## 2.12 Savings Progress

- a) The 2018-19 budget included £4.003m of savings plus £2.557m of carried forward NHS CRES savings.

BRAG Status	Position at Budget Approval £m	Position at Period 5 £m
Red	3.148	2.329
Amber	0.519	0.947
Green	2.893	1.074
Blue	0.000	2.210
<b>TOTAL</b>	<b>6.560</b>	<b>6.560</b>

- b) The projected year-end outturn position assumes that the following savings will not be delivered as planned and this is reflected in the overall projected outturn position.
- 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
- TOTAL £2.329m**

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.

A Transformation Board has been established to provide oversight and governance to the programme of service change. A focus of the Board will be to ensure services and plans in place to deliver savings and service change, with a solutions focussed approach to bringing programmes back on track.

The projected position at August 2018 assumes that all remaining savings on the plan will be delivered. The progress with savings 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.

## 2.13 Financial Recovery Plan

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 £0.530m.

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.

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.

2.14	<b>Budget Changes</b>
	<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. The specific reductions that the IJB are required to approve are:</p> <ul style="list-style-type: none"> <li>• Reduction in Criminal Justice settlement – the reduction reflects the updated finance settlement and will be covered by increased recharge income from East and South Ayrshire.</li> <li>• Mental Health Admin transfer from lead partnership – it was previously agreed that the mental health admin would be reviewed and the budget realigned to the relevant partnership. The non-staff related costs have still to be agreed and will be reflected in a future report.</li> <li>• Medical training funding reduction as NES has reduced the number of junior doctor posts being funded.</li> </ul> <p>Further areas which are outstanding and will be included in future reports include:</p> <ul style="list-style-type: none"> <li>• The North Ayrshire share of the Intermediate Care and Rehab (ICR) investment;</li> <li>• The reallocation of resources for Allied Health Professionals (AHPs), as these will no longer be managed on a lead partnership basis by the South HSCP;</li> <li>• The disaggregation of some mental health wards from the lead partnership arrangement;</li> <li>• The proposal by NHS Ayrshire and Arran to allocate a pro-rata share of additional workforce savings to the partnerships, the North Ayrshire share being £0.435m.</li> </ul>
3.	<b>PROPOSALS</b>
3.1	<b><u>Anticipated Outcomes</u></b>
	<p>Continuing to closely monitor the financial position will allow the IJB to take correction 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	<b><u>Measuring Impact</u></b>
	<p>Updates to the financial position will be reported to the IJB throughout 2018-19.</p>



<b>4.</b>	<b>IMPLICATIONS</b>
<b>Financial:</b>	<p>The financial implications are as outlined in the report.</p> <p>Against the full-year budget of £229.412m there is a projected overspend of £1.247m (0.55%).</p> <p>The report outlines the action being taken and proposed action to reduce the projected overspend.</p> <p>The recovery plan totals £1.255m with £0.530m delivered to date. There are a number of other actions are being progressed to reduce the overspend further.</p> <p>There is a financial risk to the IJB in relation to Lead Partnerships managed by East and South but this is unclear at this stage.</p>
<b>Human Resources:</b>	None
<b>Legal:</b>	None
<b>Equality:</b>	None
<b>Children and Young People</b>	None
<b>Environmental &amp; Sustainability:</b>	None
<b>Key Priorities:</b>	None
<b>Risk Implications:</b>	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.
<b>Community Benefits:</b>	None

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

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

<b>5.</b>	<b>CONCLUSION</b>
5.1	<p>It is recommended that the IJB:</p> <ul style="list-style-type: none"> <li>c) Note the projected year-end overspend of £1.247m;</li> <li>d) Note the movement in the projected outturn position and the future financial risks;</li> <li>e) Approve the changes in funding as detailed in Appendix E</li> <li>f) Note the progress and impact in relation to the financial recovery plan; and</li> <li>g) Note the financial position will continue to be closely monitored with a further update to the IJB in November</li> </ul>

**For more information please contact:**

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

## Appendix A

Partnership Budget - Objective Summary	2018/19 Budget									2018/19	
	Council			Health			TOTAL			Over/ (Under) Spend Variance at Period 5 £'000	Movement in projected budget variance from Period 4 £'000
	Budget	Projected Outturn	Projected Over/ (Under) Spend Variance £'000	Budget	Projected Outturn	Projected Over/ (Under) Spend Variance £'000	Budget	Projected Outturn	Projected Over/ (Under) Spend Variance £'000		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000		
<b>COMMUNITY CARE AND HEALTH</b>	<b>53,592</b>	<b>53,574</b>	<b>(18)</b>	<b>11,687</b>	<b>11,948</b>	<b>261</b>	<b>65,279</b>	<b>65,522</b>	<b>243</b>	<b>1,042</b>	<b>(799)</b>
: Locality Services	24,708	25,527	819	4,178	4,305	127	28,886	29,832	946	1,629	(683)
: Community Care Service Delivery	25,793	25,203	(590)	0	0	0	25,793	25,203	(590)	(554)	(36)
: Rehabilitation and Reablement	1,050	927	(123)	1,435	1,335	(100)	2,485	2,262	(223)	(131)	(92)
: Long Term Conditions	1,736	1,607	(129)	4,316	4,581	265	6,052	6,188	136	132	4
: Integrated Island Services	305	310	5	1,758	1,727	(31)	2,063	2,037	(26)	(34)	8
<b>MENTAL HEALTH SERVICES</b>	<b>23,346</b>	<b>24,090</b>	<b>744</b>	<b>48,686</b>	<b>48,333</b>	<b>(353)</b>	<b>72,032</b>	<b>72,423</b>	<b>391</b>	<b>173</b>	<b>218</b>
: Learning Disabilities	18,000	18,822	822	477	350	(127)	18,477	19,172	695	501	194
: Community Mental Health	4,061	4,018	(43)	1,630	1,386	(244)	5,691	5,404	(287)	(316)	29
: Addictions	1,285	1,250	(35)	1,226	1,173	(53)	2,511	2,423	(88)	(88)	0
: Lead Partnership Mental Health NHS Area Wide	0	0	0	45,353	45,424	71	45,353	45,424	71	76	(5)
<b>CHILDREN'S AND JUSTICE SERVICES</b>	<b>31,434</b>	<b>31,437</b>	<b>3</b>	<b>3,514</b>	<b>3,365</b>	<b>(149)</b>	<b>34,948</b>	<b>34,802</b>	<b>(146)</b>	<b>(217)</b>	<b>71</b>
: Intervention Services	3,743	3,705	(38)	303	322	19	4,046	4,027	(19)	27	(46)
: Looked After & Accomodated Children	15,980	16,137	157	0	0	0	15,980	16,137	157	70	87
: Fieldwork	4,588	4,574	(14)	0	0	0	4,588	4,574	(14)	(95)	81
: CCSF	319	275	(44)	0	0	0	319	275	(44)	(28)	(16)
: Justice Services	2,655	2,655	0	0	0	0	2,655	2,655	0	0	0
: Early Years	321	248	(73)	2,838	2,711	(127)	3,159	2,959	(200)	(142)	(58)
: Policy & Practice	3,828	3,843	15	0	0	0	3,828	3,843	15	(8)	23
: Lead Partnership NHS Children's Services Area Wide	0	0	0	373	332	(41)	373	332	(41)	(41)	0
<b>PRIMARY CARE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>49,875</b>	<b>49,875</b>	<b>0</b>	<b>49,875</b>	<b>49,875</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>MANAGEMENT AND SUPPORT COSTS</b>	<b>5,201</b>	<b>5,316</b>	<b>115</b>	<b>145</b>	<b>744</b>	<b>599</b>	<b>5,346</b>	<b>6,060</b>	<b>714</b>	<b>695</b>	<b>19</b>
<b>CHANGE PROGRAMME</b>	<b>658</b>	<b>629</b>	<b>(29)</b>	<b>1,274</b>	<b>1,348</b>	<b>74</b>	<b>1,932</b>	<b>1,977</b>	<b>45</b>	<b>77</b>	<b>(32)</b>
<b>TOTAL</b>	<b>114,231</b>	<b>115,046</b>	<b>815</b>	<b>115,181</b>	<b>115,613</b>	<b>432</b>	<b>229,412</b>	<b>230,659</b>	<b>1,247</b>	<b>1,770</b>	<b>(523)</b>

# 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	
<b>COMMUNITY CARE AND HEALTH</b>	<b>65,279</b>	<b>65,522</b>	<b>243</b>	
Locality Services	28,886	29,832	946	<p><b>Older People permanent care homes</b> - permanent placements are projected overspend of £1.100m based on 847 placements (586 Nursing and 261 Residential) and an assumption that placements are on a one in one basis to the end of the year. Favourable movement of £0.081m, reduction of 2 places from prior month. Respite care projected overspend of £0.084m, favourable movement of £0.428m based on the spend to date and £0.130m expected reduction from reducing days. 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><b>Independent Living Services :</b></p> <ul style="list-style-type: none"> <li>* Direct Payment packages projected underspend of £0.073m on 62 current packages.</li> <li>* Indirect Payment packages no charges to date, projected underspend £0.045m based on prior year spend.</li> <li>* Adult respite care projected overspend £0.050m based on current spend to date.</li> <li>* Residential Packages projected underspend of £0.108m based on 34 current packages and an expected net decrease in packages of 3.</li> <li>* Community Packages (physical disability) overspend of £0.415m based on 65 current packages, and an expected decrease of 3 packages.</li> </ul> <p><b>Equipment Budget</b> - £0.318m budget for equipment- projected £0.100m underspend in line with approved mitigation.</p> <p><b>Employee costs</b> - projected £0.216m underspend: Money Matters structure approved resulting in part year vacancies.</p> <p><b>NHS Packages of Care</b> - projected overspend of £0.275m due to high use of supplementary staffing.</p> <p><b>District Nursing</b> - projected underspend of £0.112m assuming Band 6 vacancies are filled.</p>
Community Care Service Delivery	25,793	25,203	(590)	<p><b>Care at home</b></p> <ul style="list-style-type: none"> <li>- <b>in house service</b> - projected underspend of £0.328m 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.</li> <li>- <b>Purchased Care at home</b> - projected underspend of £0.275m based on current level of spend continuing to end of year.</li> </ul> <p><b>Direct Payments</b> - projected underspend of £0.049m based on 33 current package less 10% expected recovery from underspent balances.</p> <p><b>Transport costs</b> - projected overspend of £0.061m due to increase in staff mileage within care at home and ferry charges.</p> <p><b>Admin costs</b> - projected overspend of £0.065m mainly due to mobile phone equipment.</p> <p><b>Voluntary Organisations</b> - projected overspend £0.070m (CLASP HOPE £0.020m and Alzheimer £0.044m).</p> <p><b>Income</b> - projected over recovery £0.148m 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	2,485	2,262	(223)	<b>Employee costs</b> - projected underspend £0.100m due to vacancies. Adaptations Budget - £0.487m - projected £0.100m underspend in line with approved mitigation.
Long Term Conditions	6,052	6,188	136	<b>Carers Centres</b> - projected £0.107m underspend based on additional funding for the Carers Strategy. <b>Ward 1</b> - projected overspend of £0.345m assuming slight reduction in staffing levels continue. <b>Ward 2</b> - projected underspend of £0.020m, assuming funding from East HSCP for Kirklandside Ward. <b>Elderly CMHT</b> - projected underspend of £0.058m assuming £0.020m of recruitment.
Integrated Island Services	2,063	2,037	(26)	<b>Outwith the threshold for reporting</b>
<b>MENTAL HEALTH SERVICES</b>	<b>72,032</b>	<b>72,423</b>	<b>391</b>	
Learning Disabilities	18,477	19,172	695	<b>Residential Packages</b> - projected underspend of £0.093m based on current 38 packages £2.381m less 2% invoice variances.  <b>Community Packages</b> - projected overspend of £0.405m based on current 342 packages less 9.75% invoice variances and a net movement in year of 7 new packages. Challenge Fund savings of £0.256m expected to be achieved.  <b>Direct Payments</b> - projected overspend of £0.240m based on 41 current packages less 10% underspent balances and an expected increase of 5 packages in year.  <b>Employee costs</b> - projected underspend £0.193m mainly due to vacant posts  <b>Income</b> - 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	5,691	5,404	(287)	<b>Community Packages</b> - projected underspend of £0.086m based on 102 packages less assumed invoice differences between planned and actual service delivered plus a net increased of 1 package. <b>Employee costs</b> - projected underspend £0.223m mainly due to vacant posts
Addictions	2,511	2,423	(88)	<b>Addictions Team</b> - projected underspend of £0.088m due to in year vacancies

	Budget £000's	Projected Outturn £000's	Projected Over/ (Under) Spend Variance £000's	
Lead Partnership (MHS)	45,353	45,424	71	<p><b>Adult Community</b> - projected underspend of £0.118m due to vacancies in the crisis team.</p> <p><b>Adult Inpatients</b>- projected overspend of £0.426m due to a delay in bed sale income. The projection assumes three low secure beds from October and a further bed from January.</p> <p><b>UNPACs</b> - projected to underspend by £0.167m. Assumption that there will be no change to NHS GG&amp;C charge and there will be 2 new care packages in-year.</p> <p><b>LDS</b> - projected to underspend by £0.256m due to delay in UNPACs transfer.</p> <p><b>Elderly Inpatients</b> - projected to overspend by £0.347m due to use of supplementary staff.</p> <p><b>CAMHS</b> - projected underspend is £0.235m, and assumes £0.050m of recruitment in-year.</p> <p><b>MH Admin</b> - projected underspend of £0.122m. This is after the transfer of services to East and South.</p> <p><b>Psychiatry</b> - projected to overspend by £0.230, primarily due to locums and a reduction in Dean funding. EMH Liaison post remains unfunded.</p> <p><b>MH Pharmacy</b> - projected to underspend by £0.098m mainly within substitute prescribing due to the benefit on over-accrual in 2017-18.</p> <p><b>Psychology</b>- projected to underspend by £0.418m, assuming £0.100m recruitment in-year.</p> <p><b>CRES target</b> - projected overspend of £0.986m in relation to savings still to be identified.</p> <p><b>Projected underspends in other areas</b> - include Associate Nurse Director budgets £0.020m, slippage on mental health allocations of £0.070m and resource transfer reserve £0.098m.</p>
<b>CHIDREN'S SERVICES AND CRIMINAL JUSTICE</b>	<b>34,948</b>	<b>34,802</b>	<b>(146)</b>	
Intervention Services	4,046	4,027	(19)	<b>Outwith the threshold for reporting</b>

	Budget £000's	Projected Outturn £000's	Projected Over/ (Under) Spend Variance £000's	
Looked After & Accom Children	15,980	16,137	157	<p><b>Looked After Children placements - projected underspend of £0.362m based on the following:-</b></p> <p><b>Kinship</b> - projected overspend of £0.165m. Budget for 302 placements, currently 311 placements and projecting 320 by the year end.</p> <p><b>Adoption</b> - projected underspend of £0.023m. Budget for 78 placements, currently 72 placements and projecting 71 by the year end.</p> <p><b>Fostering</b> - projected underspend of £0.272m. Budget for 140 placements, currently 124 placements and projecting 130 placements by the year end.</p> <p><b>Fostering Xtra</b> - projected underspend of £0.117m. Budget for 32 placements, currently 30 placements and projecting 30 by the year end.</p> <p><b>Private fostering</b> - projected underspend of £0.113m. Budget for 16 placements, currently 10 placements and projecting to remain at 10 for the year.</p> <p><b>Fostering respite</b> - projected overspend of £0.007m due to lower than anticipated respite.</p> <p><b>IMPACCT carers</b> - projected underspend of £0.007m based on 3 carers providing support for full year.</p> <p><b>Adoption Fees</b> - projected overspend of £0.070m due to external agency fees and 2 placements from other Councils.</p> <p><b>Residential School placements including community packages</b> - projecting an overspend of £0.480m. Projection based 2 current secure placements, one projected to November, one projected to December. 22 residential and community placements projected to leave as 4 in October, 1 in November, 2 in December, 4 in January and 1 from February with 10 placements remaining at March 2019.</p> <p>Remand budget of £100k, at present projection assumes this will be spent</p> <p><b>Employee Costs</b> - projected underspend of £0.076m due to vacancies.</p>
Fieldwork	4,588	4,574	(14)	<b>Outwith the threshold for reporting</b>
CCSF	319	275	(44)	<b>Outwith the threshold for reporting</b>
Criminal Justice	2,655	2,655	0	<b>Expected to come in line with budget</b>
Early Years	3,159	2,959	(200)	<p><b>Employee costs</b> - projected underspend of £0.146m due to vacancies.</p> <p><b>CAMHS budget</b> - projected underspend of £0.056m</p>
Policy & Practice	3,828	3,843	15	<b>Outwith the threshold for reporting</b>
Lead Partnership (CS & CJ)	373	332	(41)	<b>Outwith the threshold for reporting</b>

	Budget £000's	Projected Outturn £000's	Projected Over/ (Under) Spend Variance £000's	
PRIMARY CARE	49,875	49,875	0	Assumption is break-even - full review to be completed in period 6
Management & Support Services	5,346	6,060	714	CRES savings - projected overspend of £0.682m relating to CRES savings still to be identified.
CHANGE PROGRAMME and challenge Fund	1,932	1,977	45	Outwith the threshold for reporting
TOTAL	229,412	230,659	1,247	

*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 5 £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 Disabiliites	Green	Red	200	200	-	200
Community Care & Health	Community Care & Health Challenge Fund Projects - Reablement	Green	Green	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	Harbour Centre Day Service, Alzheimers - closure of weekend service	Green	Amber	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	-
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	-

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 5	Projected Shortfall
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	Green	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	Green	100	75	75	-
Cross Service	Staff Mileage - 10% reduction across the partnership	Green	Amber	40	40	40	-
Cross Service	Bring forward phase 2 Challenge Fund savings from 2019/20 to 2018/19	Green	Amber	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	-
<b>TOTAL</b>				<b>3,739</b>	<b>3,313</b>	<b>2,652</b>	<b>661</b>

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 5 £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	Green	7	7	7	-
Community Care & Health	Reduction in staffing - Arran	Green	Blue	30	30	30	-
Cross Service	Supplies	Green	Green	80	80	80	-
Cross Service	Transport	Green	Green	5	5	5	-
Cross Service	Savings carried forward from 2017/18	Red	Red	2,557	2,557	889	1,668
<b>TOTAL</b>				<b>3,247</b>	<b>3,247</b>	<b>1,579</b>	<b>1,668</b>
<b>GRAND TOTAL</b>				<b>6,986</b>	<b>6,560</b>	<b>4,231</b>	<b>2,329</b>

**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.	In Progress	200	30	170	Donna McKee (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	-	Donna McKee (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	-	Donna McKee (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	-	Donna McKee (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.	In Progress	40	-	40	Thelma Bowers
<b>TOTAL</b>				<b>1,255</b>	<b>530</b>	<b>725</b>	

**Other actions being taken:**

<b>Ref</b>	<b>Service Area</b>	<b>Action</b>	<b>Responsible Officer</b>
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

<b>COUNCIL</b>	<b>Period</b>	<b>Permanent or Temporary</b>	<b>Budget £000's</b>
Initial Approved Budget	2		92,353
Resource Transfer	2	P	22,219
ICF Procurement Posts - Transfer to Procurement	2	T	(89)
Additional Pension Costs	4	P	(9)
Reduction in Criminal Justice Settlement	5	P	(243)
<b>Period 5 reported budget</b>			<b>114,231</b>

<b>HEALTH</b>	<b>Period</b>		<b>Budget £000's</b>
Initial Approved Budget (including estimated pay award funding)	2		138,638
Resource Transfer	2	P	(22,219 )
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
<b>Period 5 reported budget</b>			<b>115,181</b>

<b>GRAND TOTAL</b>	<b>229,412</b>
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