

**To: Renfrewshire Integration Joint Board**

**On: 20 November 2015**

**Report by: Chief Finance Officer**

**Heading: Financial Report 1<sup>st</sup> April to 30<sup>th</sup> September 2015**

**1. Purpose**

1.1. The purpose of this report is to advise the Integration Joint board (IJB) of the Revenue and Capital Budget current year position as at the 18<sup>th</sup> (Social Work) and 30<sup>th</sup> September 2015 (Health).

**2. Recommendation**

2.1. That the Integration Joint Board:

- (1) are requested to note the financial position to date.
- (2) and note that the financial planning process for 2016/17 is now underway.

**3. Summary**

3.1 The overall revenue position for the HSCP at 30<sup>th</sup> September is an underspend of £23k as detailed in the table below (and appendices 1 and 2).

Division	Current Reported Position	Previously Reported Position
Social Work – Adult Services	Breakeven	breakeven
Renfrewshire Health Services	£23k underspend	£13k underspend
<b>Total Renfrewshire HSCP</b>	<b>£23k underspend</b>	<b>£13k underspend</b>

3.2. The key pressures are highlighted in section 4 and 5.

**4. Social Work – Adult Services**

**Current Position: Breakeven**  
**Previously Reported: Breakeven**

**4.1 Older People**

**Current Position: Net underspend of £13k**  
**Previously Reported: Net overspend of £39k**

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The net underspend within Older People services reflects pressures within the care at home service which are mitigated by an underspend in the external care home placement budget reflecting higher than anticipated turnover levels.

In addition to pressures within the care at home service, there continues to be an under recovery of income from the Council's residential Care Homes due to the current levels of under occupancy.

#### 4.2 **Physical Disabilities**

Current Position: Net overspend of £41k  
Previously Reported: Net overspend of £14k

As previously reported this overspend is due to increases in the purchase of equipment to support service users to stay in their own homes reflecting the shift in the balance of care to the community and their associated needs.

#### 4.3 **Learning Disabilities**

Current Position: Net under spend of £130k  
Previously Reported: Net under spend of £112k

This under spend is mainly due to the time taken to recruit to new posts within the Learning Disability day services.

#### 4.4 **Mental Health**

Current Position: Net overspend of £30k  
Previously Reported: Net overspend of £28k

This overspend is mainly due to higher than anticipated payroll costs.

#### 4.5 **Addictions**

Current Position: Net overspend of £72k  
Previously Reported: Net overspend of £31k

This overspend is mainly due to higher than anticipated payroll costs.

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### 5. **Renfrewshire Health Services**

**Current Position: £23k Underspend**  
**Previously Reported: £13k Underspend**

#### 5.1 **Addictions**

Current Position: Net underspend of £89k  
Previously Reported: Net underspend of £57k

This underspend is mainly due to lower than anticipated payroll costs reflecting the position staff are currently placed on the pay scale, along with slippage in the filling of vacant posts due to the timescales involved in the recruitment process.

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## 5.2 **Adult Community Services**

Current Position: Net overspend of £43k  
Previously Reported: Net overspend of £82k

As previously reported, this net overspend reflects: continued pressure on the community equipment budget (EQUIPU); overspends on the salaries within RES (Rehabilitation and Enablement Service) where additional physiotherapy staff have been employed to focus on the reduction of waiting list times and pressure on costs associated with 'Enteral Feeding' which have stabilised since the previous reporting period.

These overspends are partially offset by underspends within the podiatry service where there are a number of vacancies.

## 5.3 **Children's Services**

Current Position: Net underspend of £144k  
Previously Reported: Net underspend of £51k

Overall, Children's services are reporting an underspend of £144k. This is mainly due to general nursing underspends within Specialist services reflecting delays in the filling of posts associated with the service redesign, and CAMHS (Children and Adolescent Mental Health Services) due to ongoing recruitment issues for psychologists.

## 5.4 **Learning Disabilities**

Current Position: Net overspend of £31k  
Previously Reported: Net overspend of £13k

The overspend within Learning Disabilities is due to costs associated with speech therapy agency staff, who will be required until the current service redesign process is completed.

## 5.5 **Hosted Services**

Current Position: Net underspend of £130k  
Previously Reported: Net underspend of £84k

As previously reported, this underspend reflects historical underspends within the service due to vacant administrative and special project posts.

## 5.6 **Mental Health**

Current Position: Net overspend of £86k  
Previously Reported: Net overspend of £60k

Overall, Mental Health services are reporting an overspend of £86k. As previously reported, this overspend is due to a number of contributing factors within both in-patient and elderly services which are offset by an underspend within the adult community budget due to vacancies within the service.

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The main overspends within the in-patient service relate to costs associated with special observations along with agency fees in relation to vacant consultant posts due to ongoing recruitment issues which are being experienced throughout Scotland for this type of post. The overspend within the elderly service is also due to a combination of agency and special observation costs.

These areas will continue to be the subject of ongoing monitoring and review.

#### 5.7 **Other Services**

Current Position: Net overspend of £177k  
Previously Reported: Net overspend of £25k

The overspend within other services is mainly in relation to the impact of the 15/16 workforce planning savings which have yet to be reallocated across other divisions of service.

#### 5.8 **Prescribing**

Current Position: Breakeven  
Previously Reported: n/a

Currently, the GP prescribing position shows a breakeven position. However, as GP prescribing is extremely volatile, there continues to be an element of financial risk and this will therefore continue to be subject to close scrutiny and monitoring throughout 2015/16.

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### 6. **2015/16 Capital Programme**

Description	Budget	Spend to Date	Still to Spend
Anchor Centre Roof Replacement	£400k	£0k	£400k
<b>Total SW</b>	<b>£400k</b>	<b>£0k</b>	<b>£400k</b>

The programme to replace the Anchor Centre roof and it is anticipated that it will be completed in 2015/16.

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### 7. **Financial Planning 2016/17**

The budget strategy for 2016/17 is now underway.

For Social Work – Adult Services, in line with existing arrangements for the Council, the partnership has submitted detailed proposals for service based savings along with identifying future demand / pressures and potential corresponding mitigation for Council approval. It is anticipated that the outcome of this process will be finalised towards the end of the Calendar Year and a summary of the agreed proposals will be brought back to the IJB for information.

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The financial planning process for NHSGG&C for 2016/17 has currently identified a draft savings target of between £60m to £64m.

The final savings target will be dependent on the nationally agreed uplift. This will not be clarified until at least Spring 2016. However, it is expected that the level of cash releasing savings for the NHS element in the Health and Social Care Partnerships across NHS Greater Glasgow & Clyde will be between £18 and £23m. This means that the local savings target for Renfrewshire will be significantly higher than in any previous year. A number of health service efficiency plans are currently being developed within the HSCP. However, depending on the amount of savings to be achieved these may not be sufficient to deliver the total savings required. In this case further discussions at NHS Board level will be required in order for Partnerships to be able to deliver cash releasing savings through collectively agreed service redesign and efficiency programmes.

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### **Implications of the Report**

1. **Financial** – Expenditure will be contained within available resources.
2. **HR & Organisational Development** – none
3. **Community Planning** - none
4. **Legal** – none
5. **Property/Assets** – none.
6. **Information Technogloy** – none
7. **Equality & Human Rights** – The recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** – none
9. **Procurement** – none
10. **Privacy Impact** – none.

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**List of Background Papers** – none

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**Social Work Revenue Budget Position  
1st April 2015 to 18th September 2015**

Subjective Heading	Annual Budget £000's	Year to Date Budget £000's	Actual to Date £000's	Variance		
				£000's	%	
Employee Costs	23,876	10,605	10,698	(93)	-0.9%	overspend
Property Costs	1,021	367	376	(9)	-2.5%	overspend
Supplies and Services	1,424	489	539	(50)	-10.2%	overspend
Contractors	45,781	19,792	19,659	133	0.7%	underspend
Transport	722	302	309	(7)	-2.3%	overspend
Administrative Costs	242	117	100	17	14.5%	underspend
Payments to Other Bodies	4,178	681	678	3	0.4%	underspend
Capital Charges	1,404	-	-	-	0.0%	breakeven
<b>Gross Expenditure</b>	<b>78,648</b>	<b>32,353</b>	<b>32,359</b>	<b>(6)</b>	<b>0.0%</b>	<b>overspend</b>
<b>Income</b>	<b>(23,026)</b>	<b>(5,899)</b>	<b>(5,905)</b>	<b>6</b>	<b>-0.1%</b>	<b>underspend</b>
<b>NET EXPENDITURE</b>	<b>55,622</b>	<b>26,454</b>	<b>26,454</b>	<b>-</b>	<b>0.00%</b>	<b>breakeven</b>

Position to 18th September is a breakeven of **£0 0.00%**  
 Anticipated Year End Budget Position is a breakeven of **£0 0.00%**

Client Group	Annual Budget £000's	Year to Date Budget £000's	Actual to Date £000's	Variance		
				£000's	%	
Older People	35,420	15,200	15,187	13	0.1%	underspend
Physical or Sensory Difficulties	5,094	2,192	2,233	(41)	-1.9%	overspend
Learning Difficulties	12,585	6,554	6,424	130	2.0%	underspend
Mental Health Needs	921	1,365	1,395	(30)	-2.2%	overspend
Addiction Services	952	525	597	(72)	-13.7%	overspend
Integrated Care Fund	650	618	618	-	0.0%	breakeven
<b>NET EXPENDITURE</b>	<b>55,622</b>	<b>26,454</b>	<b>26,454</b>	<b>-</b>	<b>0.00%</b>	<b>breakeven</b>

Position to 18th September is a breakeven of **£0 0.00%**  
 Anticipated Year End Budget Position is a breakeven of **£0 0.00%**



**Health Revenue Budget Position  
1st April 2015 to 30th September 2015**

Subjective Heading	Annual Budget £000's	Year to Date Budget £000's	Actual to Date £000's	Variance		
				£000's	%	
Employee Costs	42,555	21,158	20,803	355	1.7%	underspend
Property Costs	781	279	257	22	7.9%	underspend
Supplies and Services	10,865	3,116	3,368	(252)	-8.1%	overspend
Purchase of Healthcare	44	22	28	(6)	-27.3%	overspend
Resource Transfer	16,590	8,295	8,295	-	0.0%	breakeven
Family Health Services	79,207	39,195	39,190	5	0.0%	underspend
Savings	(202)	(101)	-	(101)	100.0%	overspend
Capital Charges	1,573	787	787	-	0.0%	breakeven
<b>Gross Expenditure</b>	<b>151,413</b>	<b>72,751</b>	<b>72,728</b>	<b>23</b>	<b>0.0%</b>	<b>underspend</b>
<b>Income</b>	<b>(4,398)</b>	<b>(2,413)</b>	<b>(2,413)</b>	<b>-</b>	<b>0.0%</b>	<b>breakeven</b>
<b>NET EXPENDITURE</b>	<b>147,015</b>	<b>70,338</b>	<b>70,315</b>	<b>23</b>	<b>0.03%</b>	<b>underspend</b>

Position to 30th September is an underspend of **£23k** **0.03%**  
 Anticipated Year End Budget Position is a breakeven of **£0** **0.00%**

Client Group	Annual Budget £000's	Year to Date Budget £000's	Actual to Date £000's	Variance		
				£000's	%	
Addiction Services	2,774	1,205	1,116	89	7.4%	underspend
Adult Community Services	15,127	7,024	7,067	(43)	-0.6%	overspend
Children's Services	5,749	2,875	2,731	144	5.0%	underspend
Learning Disabilities	957	483	514	(31)	-6.4%	overspend
Mental Health	18,625	9,222	9,308	(86)	-0.9%	overspend
Hosted Services	3,511	1,747	1,617	130	7.4%	underspend
Prescribing	32,985	16,706	16,706	-	0.0%	breakeven
GMS	24,229	11,809	11,809	-	0.0%	breakeven
Other	21,985	10,676	10,676	-	0.0%	breakeven
Planning and Health Improvement	1,524	623	626	(3)	-0.5%	overspend
Other Services	3,951	1,620	1,797	(177)	-10.9%	overspend
Resource Transfer	16,590	8,295	8,295	-	0.0%	breakeven
Integrated Care Fund	3,407	467	467	-	0.0%	breakeven
<b>NET EXPENDITURE</b>	<b>151,414</b>	<b>72,752</b>	<b>72,729</b>	<b>23</b>	<b>0.03%</b>	<b>underspend</b>

Position to 30th September is an underspend of **£23k** **0.03%**  
 Anticipated Year End Budget Position is a breakeven of **£0** **0.00%**

**for information:**

1. Adult Community Services includes: District and Out of Hours Nursing; Rehabilitation Services, Equipu and board wide responsibility for Podiatry
2. Children's Services includes: Community Services - School Nurses and Health Visitors; Specialist Services - Children's Mental Health Team, Speech Therapy
2. GMS = costs associated with GP services in Renfrewshire
3. Other = costs associated with Dentists, Pharmacists, Optometrists
4. Hosted Services = board wide responsibility for support to GP's for areas such as eg breast screening, bowel screening
5. Other Services = Business Support staff, Admin related costs, hotel services and property related costs including rates and rental costs.