

**To:** Renfrewshire Integration Joint Board

**On:** 24 June 2016

**Report by:** Chief Finance Officer

**Heading:** Financial Report 1<sup>st</sup> April 2015 to 31<sup>st</sup> March 2016

## 1. Purpose

- 1.1. The purpose of this report is to advise the Integration Joint Board (IJB) of the Revenue and Capital Budget year-end outturn position for the HSCP for the financial year 2015/16.

## 2. Recommendation

It is recommended that the IJB:-

- Note the year end financial position.

## 3. Summary

- 3.1. The overall revenue position for the HSCP at 31<sup>st</sup> March was an underspend of £27k as detailed in the table below (and appendices 1 and 2).

Division	Current Reported Position	Previously Reported Position
Social Work – Adult Services	£27k underspend	Breakeven
Renfrewshire Health Services	Breakeven	£37k underspend
<b>Total Renfrewshire HSCP</b>	<b>£27k underspend</b>	<b>£37k underspend</b>

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

## 4. Social Work – Adult Services

**Year end Position:** Net underspend of £27k  
**Previously Reported:** Breakeven

### 4.1. Older People

Year end Position: Net underspend of £6k  
Previously Reported: Net overspend of £6k

The net underspend within Older People services was mainly in relation to an underspend in the external care home placement budget reflecting higher than anticipated turnover levels, along with a reduction

in the uptake of residential respite places. This underspend mitigated significant pressures within the care at home service.

This pressure was due to a combination of increases in demand and challenges in terms of workforce capacity and infrastructure to deliver the service, (which led to increases in agency and overtime costs). A separate report to the IJB sets out the current position along with details of the work stream established to review the Care at home service to ensure that within available resources the service can respond to current and future challenges.

4.2. **Physical Disabilities**

Year end Position:	Net overspend of £88k
Previously Reported:	Net overspend of £60k

As previously reported, this overspend reflects increased costs associated with 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**

Year end Position:	Net under spend of £188k
Previously Reported:	Net under spend of £163k

As reported throughout 2015/16, this underspend is mainly due to the time taken to recruit to new posts within the Learning Disability day services along with vacancies due to staff turnover.

This underspend offsets an overspend on the Adult Placement budget reflecting increased changes in the budget profile in relation to the funding of SDS packages.

4.4. **Addictions**

Year end Position:	Net overspend of £91k
Previously Reported:	Net overspend of £97k

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

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5. **Renfrewshire Health Services**

<b>Current Position:</b>	<b>Breakeven</b>
<b>Previously Reported:</b>	<b>£37k Underspend</b>

5.1. **Addictions**

Current Position:	Net underspend of £173k
Previously Reported:	Net underspend of £167k

As reported throughout 2015/16 this underspend was due to lower than anticipated payroll costs reflecting the position staff are currently placed on the pay scale, along with vacant posts reflecting both the timescales involved in the recruitment process and availability of staff to fill these.

5.2. **Adult Community Services**

Current Position:	Net overspend of £171k
Previously Reported:	Net overspend of £128k

As previously reported, this net overspend is due to a combination of: pressure on the community equipment budget (EQUIPU); overspends on the salaries within RES (Rehabilitation and Enablement Service) where additional physiotherapy staff were employed to focus on the reduction of waiting list times, and an overspend in relation to District Nurse costs mainly in relation to bank costs.

These overspends were partially offset by underspends within the podiatry service due to the impact of maternity leave and vacancies.

5.3. **Children's Services**

Current Position:	Net underspend of £261k
Previously Reported:	Net underspend of £227k

As previously reported, the underspend within Children's services is due to general nursing underspends within the Specialist Panda service reflecting delays in the filling of posts associated with the Paediatric service redesign along with ongoing recruitment issues for psychologists within the CAMHS (Children and Adolescent Mental Health Services).

Psychology recruitment continues to be an ongoing issue across all specialities within NHS GG&C, mainly due to insufficient graduate numbers for the vacancies available.

5.4. **Learning Disabilities**

Current Position:	Net overspend of £128k
Previously Reported:	Net overspend of £85k

The overspend within Learning Disabilities is due to costs associated with: speech therapy agency staff (required until the service redesign process is completed); and medical agency locum fees covering long term sickness which are likely to continue into 2016/17.

5.5. **Hosted Services**

Current Position:	Net underspend of £120k
Previously Reported:	Net underspend of £168k

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 £137k
Previously Reported:	Net overspend of £166k

This overspend is due to a number of contributing factors within both adult and in-patient services which are offset by an underspend within the adult community budget due to vacancies within the service.

As reported throughout 2015/16, the main overspends within the in-patient services relate to significant costs associated with patients requiring enhanced levels of observation across all ward areas. Staffing for enhanced observations is unfunded, and as a result reliance is on the nurse bank to provide safe staffing levels to meet level of demand and activity. In addition, the costs associated with maintaining the recommended safe staffing and skill mix for registered nurse to bed ratios, meant that costs associated with bank staff were higher than anticipated.

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

#### 5.7. **Other Services**

Current Position: Net overspend of £112k  
Previously Reported: Net overspend of £112k

The overspend within other services is mainly in relation to the impact of the 15/16 unallocated workforce planning savings.

#### 5.8. **Prescribing**

Current Position: Breakeven  
Previously Reported: Breakeven

The final position for the partnership's share of NHSGG&C prescribing budget is a break-even position. This was achieved by the Board identifying prescribing related non-recurring funding to cover the actual overspend, and, as part of the risk sharing arrangement, they have absorbed the overspend for each HSPC FOR 2015/16r.

The Board's intention, at present, is to maintain the risk sharing arrangement and not to pass any over-spends to the HSCPs. However, in light of the Board's anticipated financial position beyond 2015/16 the risk sharing arrangement may require to be reviewed to agree how risk should be apportioned between the Board and HSCPs.

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

Description	Original Budget	Revised Budget	Spend to Date	Still to Spend
Anchor Centre Roof Replacement	£400k	£310k	£0k	£310k
<b>Total SW</b>	<b>£400k</b>	<b>£310k</b>	<b>£0k</b>	<b>£310k</b>

The tender process for the Anchor Centre roof replacement closed in February, with the tender being awarded to Curtis Moore Cladding Systems (who specialise in metal standing roof systems) at the end of April. It is anticipated that works will commence on site in mid July once all roof survey works have been completed.

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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. **Risk** – none.
  11. **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 31st March 2016**

Subjective Heading	Annual Budget £000's	Year to Date Budget £000's	Actual to Date £000's	Variance		
				£000's	%	
Employee Costs	25,594	25,594	25,834	(240)	-0.9%	overspend
Property Costs	1,064	1,064	1,065	(1)	-0.1%	overspend
Supplies and Services	1,567	1,567	1,862	(295)	-18.8%	overspend
Contractors	50,975	50,975	50,816	159	0.3%	underspend
Transport	735	735	698	37	5.0%	underspend
Administrative Costs	6,567	6,567	6,564	3	0.0%	underspend
Payments to Other Bodies	4,535	4,535	4,549	(14)	-0.3%	overspend
Capital Charges	-	-	-			
<b>Gross Expenditure</b>	<b>91,037</b>	<b>91,037</b>	<b>91,388</b>	<b>(351)</b>	<b>-0.4%</b>	<b>overspend</b>
<b>Income</b>	<b>(30,779)</b>	<b>(30,779)</b>	<b>(31,157)</b>	<b>378</b>	<b>-1.2%</b>	<b>underspend</b>
<b>NET EXPENDITURE</b>	<b>60,258</b>	<b>60,258</b>	<b>60,231</b>	<b>27</b>	<b>0.04%</b>	<b>underspend</b>

Year End Budget Position is an underspend of

**£27k**

**0.04%**

Client Group	Annual Budget £000's	Year to Date Budget £000's	Actual to Date £000's	Variance		
				£000's	%	
Older People	38,097	38,097	38,091	6	0.0%	underspend
Physical or Sensory Difficulties	6,302	6,302	6,390	(88)	-1.4%	overspend
Learning Difficulties	12,415	12,415	12,227	188	1.5%	underspend
Mental Health Needs	1,562	1,562	1,550	12	0.8%	underspend
Addiction Services	1,232	1,232	1,323	(91)	-7.4%	overspend
Integrated Care Fund	650	650	650	-	0.0%	breakeven
<b>NET EXPENDITURE</b>	<b>60,258</b>	<b>60,258</b>	<b>60,231</b>	<b>27</b>	<b>0.04%</b>	<b>underspend</b>

Year End Budget Position is an underspend of

**£27k**

**0.04%**





**Health Revenue Budget Position  
1st April 2015 to 31st March 2016**

Subjective Heading	Annual Budget £000's	Year to Date Budget £000's	Actual to Date £000's	Variance		
				£000's	%	
Employee Costs	42,351	42,351	41,796	555	1.3%	underspend
Property Costs	852	852	769	83	9.7%	underspend
Supplies and Services	11,565	11,565	12,030	(465)	-4.0%	overspend
Purchase of Healthcare	44	44	53	(9)	-20.5%	overspend
Resource Transfer	16,590	16,590	16,590	-	0.0%	breakeven
Family Health Services	81,197	81,197	81,188	9	0.0%	underspend
Savings	(173)	(173)	-	(173)	100.0%	overspend
Capital Charges	1,578	1,578	1,578	-	0.0%	breakeven
<b>Gross Expenditure</b>	<b>154,004</b>	<b>154,004</b>	<b>154,004</b>	<b>-</b>	<b>0.0%</b>	<b>breakeven</b>
<b>Income</b>	<b>(4,479)</b>	<b>(4,479)</b>	<b>(4,479)</b>	<b>-</b>	<b>0.0%</b>	<b>breakeven</b>
<b>NET EXPENDITURE</b>	<b>149,525</b>	<b>149,525</b>	<b>149,525</b>	<b>-</b>	<b>0.00%</b>	<b>breakeven</b>

Year End Budget Position is an underspend of **£0k** **0.00%**

Client Group	Annual Budget £000's	Year to Date Budget £000's	Actual to Date £000's	Variance		
				£000's	%	
Addiction Services	2,686	2,686	2,513	173	6.4%	underspend
Adult Community Services	15,444	15,444	15,615	(171)	-1.1%	overspend
Children's Services	5,131	5,131	4,870	261	5.1%	underspend
Learning Disabilities	957	957	1,085	(128)	-13.4%	overspend
Mental Health	18,455	18,455	18,592	(137)	-0.7%	overspend
Hosted Services	3,471	3,471	3,351	120	3.5%	underspend
Prescribing	34,032	34,032	34,032	-	0.0%	breakeven
GMS	24,781	24,781	24,781	-	0.0%	breakeven
Family Health Services	19,398	19,398	19,393	5	0.0%	underspend
Planning and Health Improvement	1,535	1,535	1,546	(11)	-0.7%	overspend
Other Services	3,778	3,778	3,890	(112)	-3.0%	overspend
Resource Transfer	16,590	16,590	16,590	-	0.0%	breakeven
Integrated Care Fund	3,267	3,267	3,267	-	0.0%	breakeven
<b>NET EXPENDITURE</b>	<b>149,525</b>	<b>149,525</b>	<b>149,525</b>	<b>-</b>	<b>0.00%</b>	<b>breakeven</b>

Year End Budget Position is an underspend of **£0k** **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. Family Health Services = costs associated with Dentists, Pharmacists, Optometrists (FHS)
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.