



To: Integration Joint Board

On: 18 September 2015

Report by: Chief Finance Officer Designate

Heading: Financial Report 1st April to 30th June 2015

1. Summary

- 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 26th (Social Work) and 30th June 2015 (Health).
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2. Recommendation

- 2.1 That the Integration Joint Board:
- are requested to note the financial position to date.
 - and note that the financial planning process for 2016/17 is now underway.
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3. Background

- 3.1 The overall revenue position for the HSCP at 30th June is an underspend of £12k as detailed in the table below (and appendices 1 and 2).

| Division | Current Reported Position | Previously Reported Position |
|--------------------------------|---------------------------|------------------------------|
| Social Work – Adult Services | breakeven | n/a |
| Renfrewshire Health Services | £13k underspend | n/a |
| Total Renfrewshire HSCP | £13k underspend | n/a |

- 3.2. The key pressures are highlighted in section 4 and 5.
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4. Social Work – Adult Services

Current Position: Breakeven
Previously Reported: n/a

4.1

Older People

| | |
|----------------------|-----------------------|
| Current Position: | Net overspend of £39k |
| Previously Reported: | n/a |

The overspend within Older People services reflects significant pressures within the care at home service due to the shift in the balance of care to support people remaining safely at home for as long as possible, along with the council's commitment to reducing bed days lost to delayed discharges from hospital.

This pressure is partially mitigated by an underspend in the external care home placement budget.

In addition to the pressures within the care at home service there is also 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 £14k |
| Previously Reported: | n/a |

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 underspend of £112k |
| Previously Reported: | n/a |

This underspend 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 £28k |
| Previously Reported: | n/a |

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

4.5

Addictions

| | |
|----------------------|-----------------------|
| Current Position: | Net overspend of £31k |
| Previously Reported: | n/a |

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

5. Renfrewshire Health Services

| | |
|----------------------|-----------------|
| Current Position: | £13k Underspend |
| Previously Reported: | n/a |

5.1

Addictions

Current Position: Net underspend of £57k
Previously Reported: n/a

This underspend is mainly due to lower than anticipated payroll costs reflecting the position staff are currently placed on the pay scale.

5.2

Adult Community Services

Current Position: Net overspend of £82k
Previously Reported: n/a

This overspend reflects continued pressure on the community equipment budget (EQUIPU), along with an overspend on the salaries within RES (Rehabilitation and Enablement Service). Pressure is also emerging board wide on costs associated with 'Enteral Feeding' which will be closely monitored over the next few months.

5.3

Children's Services

Current Position: Net underspend of £51k
Previously Reported: n/a

Overall, Children's services are reporting an underspend of £51k. This is mainly due to general nursing underspends within Specialist services, and CAMHS (Children and Adolescent Mental Health Services) due to ongoing recruitment issues for psychologists.

5.4

Hosted Services

Current Position: Net underspend of £84k
Previously Reported: n/a

This underspend reflects historical underspends within the service due to vacant administrative and special project posts.

5.5

Mental Health

Current Position: Net overspend of £60k
Previously Reported: n/a

Overall, Mental Health services are reporting an overspend of £60k. This overspend is due to a number of contributing factors within both in-patient and elderly services. This is offset by an underspend within the adult community budget due to vacancies within the service which are due to be filled.

The main overspends within the in-patient service relate to the Recovery Unit and costs relating to special observations. The overspend within the elderly service is due to a combination of agency and special observation costs.

These areas will be subject to ongoing monitoring and review.

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- 5.6 **Other Services**
Current Position: Net overspend of £25k
Previously Reported: n/a

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

Other services relates to the costs associated with running premises occupied by the HSCP eg administration costs; hotel services and property related costs including rates and rental costs.

- 5.7 **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.

6. **2015/16 Capital Programme**

| Description | Budget | Spend to Date | Still to Spend |
|--------------------------------|--------------|---------------|----------------|
| Anchor Centre Roof Replacement | £400k | £0k | £400k |
| Total SW | £400k | £0k | £400k |
| | | | |

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

7. **Financial Planning 2016/17**

The budget strategy for 2016/17 has now commenced for both partners. In line with existing arrangements for both the Council and Health Board, the partnership has been asked to submit detailed proposals for service based savings along with identifying future demand / pressures and potential corresponding mitigation. It is anticipated that the Council process will be finalised towards the end of the Calendar Year and the Health Board slightly later. A summary of the agreed proposals will be brought back to the IJB for information.

Implications of the Report

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1. **Financial** – the report covers the financial governance arrangements being developed to support effective joint working within allocated budgets.
 2. **HR & Organisational Development** – n/a
 3. **Community Planning** - n/a
 4. **Legal** – The financial governance arrangements support the implementation of the provisions of the Public Bodies (Joint Working) (Scotland) Act 2014.
 5. **Property/Assets** – property remains in the ownership of the parent bodies.
 6. **Information Technogloy** – n/a
 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** – n/a
 9. **Procurement** – n/a.
 10. **Risk** – n/a.
 11. **Privacy Impact** – n/a.
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List of Background Papers – none

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Social Work Revenue Budget Position
1st April 2015 to 26th June 2015

| Subjective Heading | Annual Budget £000's | Year to Date Budget £000's | Actual to Date £000's | Variance | | |
|--------------------------|-------------------------|-------------------------------|--------------------------|----------|--------------|------------------|
| | | | | £000's | % | |
| Employee Costs | 23,751 | 4,582 | 4,700 | (118) | -2.6% | overspend |
| Property Costs | 1,081 | 112 | 115 | (3) | -2.7% | overspend |
| Supplies and Services | 1,431 | 190 | 201 | (11) | -5.8% | overspend |
| Contractors | 45,277 | 8,799 | 8,683 | 116 | 1.3% | underspend |
| Transport | 722 | 114 | 109 | 5 | 4.4% | underspend |
| Administrative Costs | 251 | 75 | 64 | 11 | 14.7% | underspend |
| Payments to Other Bodies | 4,277 | (68) | (68) | - | 0.0% | breakeven |
| Capital Charges | 1,404 | - | - | - | 0.0% | breakeven |
| Gross Expenditure | 78,194 | 13,804 | 13,804 | - | 0.0% | breakeven |
| | | | | | | |
| Income | (22,615) | (2,788) | (2,788) | - | 0.0% | breakeven |
| NET EXPENDITURE | 55,579 | 11,016 | 11,016 | - | 0.00% | breakeven |

Position to 26th June 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 | 35,950 | 6,493 | 6,532 | (39) | -0.6% | overspend |
| Physical or Sensory Difficulties | 5,102 | 805 | 819 | (14) | -1.7% | overspend |
| Learning Difficulties | 12,654 | 2,656 | 2,544 | 112 | 4.2% | underspend |
| Mental Health Needs | 921 | 564 | 592 | (28) | -5.0% | overspend |
| Addiction Services | 952 | 209 | 240 | (31) | -14.8% | overspend |
| Integrated Care Fund | - | 289 | 289 | - | 0.0% | breakeven |
| NET EXPENDITURE | 55,579 | 11,016 | 11,016 | - | 0.00% | breakeven |

Position to 26th June 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 June 2015**

| Subjective Heading | Annual Budget £000's | Year to Date Budget £000's | Actual to Date £000's | Variance | | |
|--------------------------|-------------------------|-------------------------------|--------------------------|-----------|--------------|-------------------|
| | | | | £000's | % | |
| Employee Costs | 42,080 | 10,513 | 10,438 | 75 | 0.7% | underspend |
| Property Costs | 781 | 143 | 120 | 23 | 16.1% | underspend |
| Supplies and Services | 10,008 | 1,539 | 1,547 | (8) | -0.5% | overspend |
| Purchase of Healthcare | 44 | 11 | 16 | (5) | -45.5% | overspend |
| Resource Transfer | 16,590 | 4,148 | 4,148 | - | 0.0% | breakeven |
| Family Health Services | 77,562 | 18,916 | 18,913 | 3 | 0.0% | underspend |
| Savings | (298) | (75) | - | (75) | 100.0% | overspend |
| Capital Charges | 1,573 | 393 | 393 | - | 0.0% | breakeven |
| Gross Expenditure | 148,340 | 35,588 | 35,575 | 13 | 0.0% | underspend |
| | | | | | | |
| Income | (4,348) | (1,455) | (1,455) | - | 0.0% | breakeven |
| NET EXPENDITURE | 143,992 | 34,133 | 34,120 | 13 | 0.04% | underspend |

Position to 30th June is an underspend of **£13k** **0.04%**
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 | 2,662 | 582 | 525 | 57 | 9.8% | underspend |
| Adult Community Services | 13,997 | 3,114 | 3,196 | (82) | -2.6% | overspend |
| Children's Services | 5,061 | 1,288 | 1,237 | 51 | 4.0% | underspend |
| Learning Disabilities | 952 | 241 | 254 | (13) | -5.4% | overspend |
| Mental Health | 18,528 | 4,601 | 4,661 | (60) | -1.3% | overspend |
| Hosted Services | 3,381 | 838 | 754 | 84 | 10.0% | underspend |
| Prescribing | 32,985 | 8,208 | 8,208 | - | 0.0% | breakeven |
| GMS | 22,584 | 5,628 | 5,628 | - | 0.0% | breakeven |
| Other | 19,897 | 4,539 | 4,539 | - | 0.0% | breakeven |
| Planning and Health Improvement | 1,247 | 304 | 303 | 1 | 0.3% | underspend |
| Other Services | 2,742 | 571 | 596 | (25) | -4.4% | overspend |
| Resource Transfer | 16,590 | 4,148 | 4,148 | - | 0.0% | breakeven |
| Integrated Care Fund | 3,267 | 72 | 72 | - | 0.0% | breakeven |
| NET EXPENDITURE | 143,893 | 34,134 | 34,121 | 13 | 0.04% | underspend |

Position to 30th June is an underspend of **£13k** **0.04%**
Anticipated Year End Budget Position is a breakeven of **£0** **0.00%**