



Item No. 9

Meeting Date Wednesday 22 February 2017

Glasgow City Integration Joint Board Finance and Audit Committee

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GLASGOW CITY INTEGRATION JOINT BOARD BUDGET MONITORING FOR MONTH 9 AND PERIOD 10 2016/17

Purpose of Report:	This report outlines the financial position of the Glasgow City Integration Joint Board as at 31 December 2016 (Health) and 22 December 2016 (Council), and highlights any areas of budget pressure and actions to mitigate these pressures.
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Recommendations:	The IJB Finance and Audit Committee is asked to: a) note the contents of this report.
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Implications for Integration Joint Board:

Financial:	Actions required to ensure expenditure is contained within budget.
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Personnel:	Not applicable at this time.
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Legal:	Not applicable at this time.
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Economic Impact:	Not applicable at this time.
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Sustainable Procurement and Article 19:	Not applicable at this time.
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Equalities:	Not applicable at this time.
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Risk Implications:	None at this time.
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Implications for Glasgow City Council:	None at this time.
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Implications for NHS Greater Glasgow & Clyde:	None at this time.
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1. Introduction

- 1.1 This monitoring statement provides a summary of the financial performance of the Glasgow City Integration Joint Board for the period 1 April 2016 to 31 December 2016 (Health), and to 22 December 2016 (Council).
- 1.2 It is based on information contained in the respective financial systems and includes accruals and adjustments in line with its financial policies.

2. Summary Position

- 2.1 Net expenditure is £1,000 less than budget to date. Gross expenditure is £53,000 (0.01%) underspent, and income is under-recovered by £52,000 (0.05%).
- 2.2 Appendix 1 shows this budget variance by both care group and subjective analysis.

3. Budget Changes

3.1 During month 9/period 10 the net expenditure budget has increased by £500,000. The month 9/period 10 changes to the gross expenditure and income budgets are analysed in the table below.

Explanation	Changes to Expenditure Budget	Changes to income Budget	Net Expenditure Budget Change
Scottish Government – Technology Enabled Care	+£270,000	+£270,000	£0
Health Board – Delayed Discharge	+£300,000	+£300,000	£0
Hospital-based Prescribing Budget	+371,000	-	+371,000
Other NHS adjustments <£100,000	+168,000	+39,000	+129,000
Totals	+£1,109,000	+£609,000	+£500,000

3.2 In addition there have been a number of budget transfers during the period to reflect service reconfigurations.

4. Reasons for Major Budget Variances

4.1 Children and Families

4.1.1 Net expenditure is overspent by £1,035,000.

4.1.2 Residential School placement numbers have increased by 4 since period 9 to 102, with an decrease in full-year commitment of £392,000. The overspend to date is £573,000 and includes 9 placements within secure establishments. The full-year projected overspend is £745,000.

4.1.3 Purchased placements have decreased by 8 since period 8 to 418, with an decrease in commitment of £241,000. The underspend to date for purchased placements is £166,000. The full-year projected underspend is £216,000.

4.1.4 Further pressures include overspends in employee costs (£175,000) as a consequence of turnover being lower than that anticipated within the Transformation Programme, Cordia Transport (£528,000) mainly in respect of young people in care being taken for contact visits with family or to school, Kinship Care (£242,000), and direct assistance payments (£474,000) and supported carers payments (£258,000) mainly for care leavers to support independent living. These overspends are partially offset by underspends which include provided foster care (£809,000), adoption allowances (£247,000), and the School Nursing service (£284,000).

4.2 Older People

- 4.2.1 There is a net underspend of £2,566,000 in the provision of services to Older People.
- 4.2.2 There is an underspend of approximately £1.9m relating to the phased introduction of the additional supported living services, and an underspend of £421,000 in respect of employee costs. A programme of work to significantly grow the use of supported living utilising Cordia commenced in the second half of the financial year, although the number of clients has not yet reached anticipated levels. There has, however, been a significant increase in the number of older people who are receiving a personalised budget or direct payment, both of which are alternative means of supporting people to remain in their own homes.
- 4.2.3 Within employee costs there remains a budget pressure in respect of agency and overtime. The opening of the Commonwealth Care Home and Wallacewell Day Care will provide opportunities for LEAN processes and efficiencies to be implemented, which will help mitigate this position.
- 4.2.4 The continence service (specialist nursing and physio staff providing advice, treatment and support, together with the supply of product) is overspent by £123,000. The overspend occurs in the supply of product.
- 4.2.5 The supply of community equipment to aid hospital discharge or prevent admission ('EquipU') is overspent by £287,000. It is acknowledged that initiatives undertaken through the Change Fund and Integrated Care Fund have resulted in a higher level of spend in this area and so further funding has been allocated here from Delayed Discharge funding. There will remain a pressure which service managers will be expected to manage. In recognition of the considerable pressure in this area, additional funding amounting to £240,000 has been added.
- 4.2.6 These pressures are also offset by an underspend within a number of nursing services (Out of Hours Nursing, Specialist Nursing and Rehabilitation Services) of £245,000, as a result of staff turnover.

4.3 Addictions

- 4.3.1 Addictions are underspent by £261,000. This is within the Community Addiction Teams, which is, itself, £261,000 underspent. Funding has been provided at the top of scale from the NHS Board-wide Resource Allocation Model, resulting in non-recurring savings in-year.

4.4 Elderly Mental Health

4.4.1 Elderly Mental Health services are overspent by £175,000. Medical locums covering maternity leave accounts for the majority of this overspend, with an underspend within other community staffing budgets offsetting on-going nursing pressures within Stobhill inpatient wards as a result of the requirement for special observations and cover for sickness absence. Following the rationalisation of elderly wards from Parkhead, a more expensive shift pattern has been in operation. This is now coming to an end.

4.5 Learning Disability

4.5.1 Learning Disability services are underspent by £315,000. This is the result of an underspend within NHS Community Teams.

4.6 Homelessness

4.6.1 There is a net overspend of £1,110,000 within Homelessness services, which is mainly attributable to an under-recovery in housing benefit subsidy (£1.2m).

4.7 Other Services

4.7.1 Other Services are overspent by £956,000. This relates in part to accommodation costs, including the double running costs of Possilpark Health Centre (Glenfarg) earlier in the year. In addition, the ongoing costs of beds in Darnley and Quayside, accommodating adults with incapacity ('AWI') who have been discharged from acute services, remains a pressure which is being held centrally within Other Services. These beds are being used for this purpose by a number of other HSCPs in the NHS GGC area and are being recharged to them.

4.8 Prescribing Costs

4.8.1 Prescribing spend is currently managed on a risk-sharing basis between Partnerships and the NHS Board. Accordingly, a break-even position is being reported. The NHS Board's financial plan for 2016/17 noted prescribing costs as a key area of risk and added that Prescribing costs are demand driven and vary throughout the year. Although it is believed that projections of costs and savings are realistic, and monitored closely to ensure that we are aware of any changes in prescribing patterns.

4.8.2 The latest budgetary figures currently available are for November 2016. At the end of November, the NHS Board-wide position was an underspend of £531,000 on a budget of £160m. Within this, Glasgow City was underspent by £840,000 on a budget of £85m.

5. Action

- 5.1 The Chief Officer, along with the Health and Social Care Partnership senior management team, continues to manage and review the budget across all areas of the Partnership. Work continues to achieve the shortfall in savings referred to in paragraph 4.7.1 on a recurrent basis by 31 March 2017 as approved by the Integration Joint Board on 21st September 2016.

6. Conclusion

- 6.1 Net expenditure is £1,000 less than budget to date. The overall position continues to be reviewed and will be updated through the normal monitoring process where any material change is identified over the course of the financial year. It is anticipated at this stage that net expenditure will be in line with budget at the financial year end.
- 6.2 The Integration Joint Board Reserves Policy was approved at the meeting of 9 December 2016. It is proposed that any net underspend which may occur within 2016/17 be transferred to reserves at the end of the financial year in order to provide future security against unexpected cost pressures and aid financial stability.

7. Recommendations

- 7.1 The IJB Finance and Audit Committee is asked to:
- a) note the contents of this report.

Glasgow City Integration Joint Board

Budget Monitoring Statement to end December/Period 10 2016/17

Budget Variance by Care Group

Annual Gross Expenditure Budget	Annual Income Budget	Annual Net Expenditure Budget		Actual Net Expenditure to Date	Budgeted Net Expenditure to Date	Variance to Date
£000	£000	£000		£000	£000	£000
153,659	1,771	151,888	Children and Families	109,542	108,507	1,035
24,346	19,420	4,926	Prisons Healthcare and Criminal Justice	1,838	1,869	-31
233,622	21,875	211,747	Older People	141,530	144,096	-2,566
48,923	1,317	47,606	Addictions	35,524	35,785	-261
2,097	316	1,781	Carers	1,228	1,228	0
24,630	973	23,657	Elderly Mental Health	17,894	17,719	175
65,528	12,073	53,455	Learning Disability	38,368	38,683	-315
27,493	279	27,214	Physical Disability	20,509	20,508	1
105,001	13,143	91,858	Mental Health	68,254	68,125	129
76,978	35,826	41,152	Homelessness	16,768	15,658	1,110
129,452	0	129,452	Prescribing	95,958	95,958	0
178,088	8,815	169,273	Family Health Services	129,099	129,099	0
11,397	1,257	10,140	Hosted Services	7,197	7,431	-234
70,141	8,380	61,761	Other Services	34,515	33,559	956
1,151,355	125,445	1,025,910	Totals	718,223	718,224	-1

Budget Variance by Subjective Analysis

Annual Budget		Actual to Date	Budget to Date	Variance to Date
£000	Expenditure	£000	£000	£000
327,377	Employee costs	240,730	242,714	-1,984
23,793	Premises Costs	18,508	17,696	812
4,179	Transport Costs	3,996	2,936	1,060
78,508	Supplies and Services	48,780	52,624	-3,844
374,051	Third party Costs	256,942	253,779	3,163
27,333	Transfer Payments	12,269	11,536	733
987	Capital Financing Costs	0	0	0
137,180	Prescribing	101,795	101,795	0
177,947	Family Health Services	135,672	135,665	7
1,151,355	Total Expenditure	818,692	818,745	-53
125,445	Income	100,469	100,521	-52
1,025,910	Net Expenditure	718,223	718,224	-1