

## Integration Joint Board

**Report By:** Chief Officer, Finance and Resources

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### GC HSCP JOINT FINANCE MONITORING REPORT

<b>Purpose of Report:</b>	To provide a summary of the financial performance of Glasgow City Health and Social Care Partnership for the period 1 April 2015 to 31 January 2016 (Health) and 12 February 2016 (SWS).
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<b>Recommendations:</b>	The Integration Joint Board is asked to note this report
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#### Implications for IJB:

<b>Financial:</b>	None
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<b>Personnel:</b>	None
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<b>Legal:</b>	None
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<b>Economic Impact:</b>	None
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<b>Sustainability:</b>	None
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<b>Sustainable Procurement and Article 19:</b>	None
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<b>Equalities:</b>	None
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<b>Implications for Glasgow City Council:</b>	Contributes to net overspend position at P12 2015/16
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<b>Implications for NHS Greater Glasgow &amp; Clyde:</b>	None
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## 1. Introduction

- 1.1 This report provides a summary of the financial performance of Glasgow City Health and Social Care Partnership for the period 1 April 2015 to 31 January 2016 (Health, Month 10) and 12 February 2016 (SWS).
- 1.2 For the purposes of this report, the NHS and Social Work elements are shown separately. Work is ongoing to develop an integrated report, and will be reported in due course.
- 1.3 This statement is based on information contained within financial systems of the respective partner organisations and includes accruals and adjustments in line with agreed financial policies.

## 2. Summary Position

- 2.1 Within the NHS, gross expenditure is £114,000 (0.02%) less than budget (M08, £110,000) and income is on budget, resulting in net expenditure of £114,000 (0.02%) less than budget.
- 2.2 Within Social Work, gross expenditure is £2,776,000 (0.61%) more than budget and income is £751,000 (0.51%) more than budget, resulting in net expenditure of £2,025,000 (0.79%) more than budget.
- 2.3 A summary analysis of this position is shown at Appendix 1.

## 3. Reasons for Budget Variances

- 3.1 The main reasons for the budget variances are outlined below.

### 3.2 NHS Budget Variances

- 3.2.1 **Community Addictions** are underspent by £263,000 (M08, £208,000). Funding has been provided at the top of scale within the Resource Allocation Model, resulting in non-recurring savings in-year. Provision is being made, across Community and Hosted Addictions services, for the shortfall in the

HSCP Addictions savings programme in 15/16. These savings will be met recurrently in 16/17.

- 3.2.2 **Adult Community Services** (excluding EquipU) are underspent by £763,000 (M08, £593,000). This occurs largely within nursing services (District Nursing, Out of Hours Nursing and Other Nursing) as a result of staff turnover.
- 3.2.3 **EquipU** charges are overspent by £400,000 (M08, £311,000). This reflects the additional spend as a result of Integration Fund initiatives. Although costs are closely monitored and analysed, EquipU charges are expected to be a continued and increasing source of pressure for the Partnership given the need to move patients quickly from inpatient beds.
- 3.2.4 **Specialist Children's Services** are overspent by £122,000 (M08, £98,000). From Month 07, inpatient and Tier 4 Child and Adolescent Mental Health Service budgets were transferred from Glasgow City HSCP to a non-integrated budget outwith Glasgow. The transferred element held the bulk of the unachieved savings for 2015/16 with the remaining budgets now returning a breakeven position on an ongoing basis.
- 3.2.5 **Children's Services – Community** are underspent by £99,000 (M08, underspent by £3,000). School Nursing continues to underspend, as a result of staff turnover and vacancies. Offsetting this, Patient and Children's Teams ('PACT') services are overspent by £208,000 (M08, £217,000). The savings taken from this service are now being achieved as trained staff transfer to vacancies in mainstream Health Visiting services and PACT services were underspent in-month for the first time this year.
- 3.2.6 **Hosted Services** are underspent by £399,000 (M08, £385,000). Homelessness Services are underspent by £309,000 (M08, £285,000). This service has traditionally underspent as a result of the high turnover of staff and frequent review of requirements. The underspending in this area was offset in-month by an overspend within the Continence Service.
- 3.2.7 **Learning Disability Services** are underspent by £208,000 (M08, £162,000). Staff numbers have been moved to the level required by the Resource Allocation Model (a methodology for allocating resources across the various Partnerships within NHS GGC). Until this is implemented and results in a budget transfer, this underspend will continue.
- 3.2.8 **Mental Health Services** covering Adult and Elderly Community and Inpatient services, are underspent by £254,000 (M08, £167,000). This is largely the result of an underspend against BUPA partnership beds budgets and other Elderly Mental Illness services in South Glasgow, a position which is expected to continue. Pressures exist, however, in admission and

assessment wards, particularly at Parkhead. This particular pressure is expected to continue until the site can be cleared.

3.2.9 **Other Services** are overspent by £1,709,000 (M08, £1,304,000), partly as a result of double running costs for both old and new Possilpark locations. Sector management is actively looking at options for vacating the old building to remove the ongoing running costs of this building. In addition, funding has been provided from this area for non-recurring School Nursing savings and for a shortfall in the funding available for purchased beds in Darnley and Quayside for adults with incapacity, discharged from Acute beds. We are also reviewing the level of medical cover currently being provided. In addition, non-recurring costs resulting from staff accommodation movements associated with Health & Social Care Integration are being charged here.

3.2.10 **Sexual Health Services** are underspent by £264,000 (M08, £219,000) reduced hours at Archway, maternity leave savings within junior doctors and turnover within other medical staffing.

### 3.3 Social Work Services Budget Variances

3.3.1 There remains a pressure in direct employee costs of £2.9m within directly provided **Older People's Residential Care**, which includes overtime and agency costs incurred in order to maintain sufficient cover in staffing rotas.

3.3.2 **Homelessness** is currently underspent by £984,000. There is an underspend in employee costs (£611,000) as a result of the 17 week dispute in community casework teams which ceased at the end of July. There is also an under recovery in housing benefit subsidy income (£973,000), which is currently being offset by slippage in various homelessness projects

3.3.3 **Purchased Services** (excluding Homelessness, and OP and Children's Residential Care) are underspent by £4,076,000 in respect of the provision of care packages for service users. This position reflects slippage across various client groups including within the Integrated Care Fund to offset pressures linked to new demand for services.

3.3.4 **Transport** continues to be an on-going pressure across the Service which has led to an overspend of £233,000 at period 12.

3.3.5 **Children and Families** shows a net overspend of £4,717,000. Following a period of relative stability during 2014/15 in the number of purchased residential school placements, the current year has seen an increase, from 103 at the end of 2014/15 to 116 at period 12. In addition, the complex needs of a number of these placements have resulted in associated high costs. As a consequence, we have seen a steady increase in the full year commitment up to Period 12. We have also seen a slowing down in the number of applications to the Council for potential foster carers, and this issue has been exacerbated by recent legislative restrictions on the number

of placements that can be made with a foster carer. This is one of the reasons for the increase in higher cost purchased foster placements. The position does not reflect any potential growth in numbers.

The key areas are:

- **Employee Costs** have a significant overspend on superannuation costs (£676,000) which has increased compared to previous years due to Automatic Enrolment of employees into a workplace pension scheme. Overtime within Residential Units is overspent by £516,000.
- Placement numbers in **Residential Schools** have remained the same from the previous period and total 116 at P9, with a decrease in full year commitment of £49,000. The full year projected overspend is £3.5m, which includes 9 placements within secure establishments of which 2 are on remand. At period 12 the overspend is £3.2m.
- **Purchased residential placements** total 428, an increase of 2 since period 11, with a net increase in full year commitment of £115,000. The full year projected overspend is £336,000, with period 12 showing an overspend of £310,000. Purchased fostering placements have increased by 2 since period 11 and total 327. Personalisation and young people in transition to adult services are reflecting an underspend of £336,000 at period 12.
- **Transport** continues to be an on-going pressure, and shows a £859,000 overspend at period 12. This is mainly in transport services provided by Cordia LLP.
- Direct Assistance is overspent by £436,000 predominantly in respect of section 29 payments (independent living).

There are also underspends in various areas including provided foster care (£359,000), adoption allowances (£271,000), kinship care (£132,000), and shared care and community respite (£196,000).

## 4 Action

4.1 In terms of the Social Work budget, the Chief Officer GCHSCP continues to manage and review the budget across all areas of the Service in conjunction with the leadership team. A number of actions are in place to mitigate the budget pressures outlined in this report, including:

- Bring back high cost placements in Children's Residential Units outwith Glasgow to new provided Residential Units
- Alternative arrangements will be investigated with a view to procuring appropriate accommodation for young adults to facilitate their transition from residential care, thus creating capacity within this service

- In-year savings within Addictions Services to cover any potential part year shortfall in the Service Reform Programme
- Further efficiencies within Adult Purchased Services to offset the impact of new demand
- Review of Purchased and Provided Day Care for Older People
- Consideration of all options to reduce spend within Homelessness
- Actions to reduce agency and overtime in Residential Units
- Utilisation of slippage within the Integrated Care Fund to offset other pressures within Older People
- Rationalisation of services

4.2 In addition, we will look for further efficiencies within the overall HSCP budget to assist recovery of the financial position.

## **5. Recommendations**

5.1 The Integration Joint Board is asked to;

- (i) note the contents of this report,
- (ii) note that the separate elements of this budget statement are being reported through the respective partner organisations, and that Social Work Services are working to an action plan to mitigate any overspend in the current financial year.

Appendix 1 – Analysis of GCHSCP Integrated Budget, showing NHS (to end November) and SWS (to 20 November) care group details

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	% Variance
	£000	£000	£000	£000	
<b>NHS Services</b>					
<b>Gross Expenditure</b>					
Addictions - Community	5,075	4,221	3,959	(263)	(6.2%)
Addictions - Hosted	26,554	23,095	23,142	47	0.2%
Adult Community Services	23,645	19,711	19,347	(364)	(1.8%)
Child Services - Community	13,325	11,077	10,977	(99)	(0.9%)
Child Services - Specialist	15,056	11,920	12,042	122	1.0%
Fhs - Gms	86,805	71,286	71,286	0	0.0%
Fhs - Other	88,569	74,182	74,182	(0)	(0.0%)
Fhs - Prescribing	123,071	103,150	103,144	(6)	(0.0%)
Hosted Services	13,896	11,485	11,086	(399)	(3.5%)
Integrated Care Fund	12,404	11,430	11,430	0	0.0%
Learn Dis - Community	2,226	1,866	1,658	(208)	(11.2%)
Men Health - Adult Community	17,352	14,439	14,320	(119)	(0.8%)
Men Health - Adult Inpatient	64,817	53,924	53,951	27	0.1%
Men Health - Elderly Services	25,882	21,537	21,465	(72)	(0.3%)
Men Health - Other Services	15,537	12,642	12,551	(91)	(0.7%)
Other Services	28,605	21,888	23,597	1,709	7.8%
Planning & Health Improvement	9,053	6,372	6,239	(133)	(2.1%)
Resource Transfer - Local Auth	65,495	54,578	54,578	0	0.0%
Sexual Health Services	11,333	9,422	9,157	(265)	(2.8%)
<b>NHS Sub Total</b>	<b>648,700</b>	<b>538,225</b>	<b>538,111</b>	<b>(114)</b>	<b>0.0%</b>
<b>Social Work</b>					
<b>Expenditure</b>					
Community Care	387,070	306,936	305,127	(1,809)	(0.6%)
Children & Families	131,336	115,045	119,947	4,902	4.3%
Criminal Justice	16,661	13,845	13,845	0	0
Fieldwork	8,632	7,556	7,204	(352)	(4.6%)
Support Services	14,028	12,835	12,870	35	0.3%
<b>Sub Total</b>	<b>557,727</b>	<b>456,217</b>	<b>458,993</b>	<b>2,776</b>	<b>0.6%</b>
<b>Income</b>					
Community Care	135,465	127,881	128,397	516	0.4%
Children & Families	1,985	1,426	1,611	185	13.0%
Criminal Justice	18,630	15,200	15,200	0	0
Fieldwork	2,235	1,980	2,021	41	2.1%
Support Services	366	518	527	9	1.7%
<b>Sub Total</b>	<b>158,681</b>	<b>147,005</b>	<b>147,756</b>	<b>751</b>	<b>0.5%</b>
<b>Social Work Net Sub Total</b>	<b>399,046</b>	<b>309,212</b>	<b>311,237</b>	<b>2,025</b>	<b>0.6%</b>
<b>Grand Total</b>	<b>1,047,746</b>	<b>847,437</b>	<b>849,348</b>	<b>1,911</b>	<b>0.2%</b>