

Implications for Health and Social Care Partnership:

Reference to National Health & Wellbeing Outcome:	Not applicable at this time.
Personnel:	Not applicable at this time.
Carers:	Expenditure in relation to Carers' services is included within this report.
Provider Organisations:	Expenditure on services delivered to clients by provider organisations is included within this report.
Equalities:	Not applicable at this time.
Financial:	Actions required to ensure expenditure is contained within budget.
Legal:	Not applicable at this time.
Economic Impact:	Not applicable at this time.
Sustainability:	Not applicable at this time.
Sustainable Procurement and Article 19:	Not applicable at this time.
Risk Implications:	None at this time.
Implications for Glasgow City Council:	None at this time.
Implications for NHS Greater Glasgow & Clyde:	None at this time.

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 2017 to 30 September 2017 (Health), and to 29 September 2017 (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 £2.994m less than budget to date. Gross expenditure is £2.878m (0.51%) underspent, and income is over-recovered by £0.116m (0.24%). If this position continued to the end of the financial year, the net underspend would be transferred to reserves.
- 2.2 Appendix 1 shows the current budget variance by both care group and subjective analysis.

3. Budget Changes

- 3.1 Throughout the financial year, adjustments are made to the original approved budget as a result of additional funding allocations and service developments. During Month 6/Period 7 the net expenditure budget has increased by £7.413m. The 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
Disregard to value of War Pensions from SWS Financial Assessments	+£560,000	+£400,000	+£160,000
Arts in the City & Govanhill Community Safety	+£264,000	£0	+£264,000
CBS staff transfer to SWS	+£4,678,000	+£24,000	+£4,654,000
Reduction in budgets – CLIC Sargent	-£162,000	-£162,000	£0
Service Reconfiguration – Older People Services	-£160,000	£0	-£160,000
Correction of Resource Transfer	-£5,508,000	-£5,508,000	£0
General Medical Services cross-charge	+1,798,177	£0	+£1,798,177
Reparenting – RSI Homelessness Budgets	+£393,457	£0	+£393,457
Reparenting – RSI Addictions Budgets	+£205,592	£0	+£205,592
Net Transfer of Funds between Partners	-£646,570	-£646,570	£0
Psychology – NES Funded	+£297,030	+£297,030	£0
Other NHS Budgets < £100,000	+£233,414	+£135,940	+£97,474
Totals	+£1,953,100	-£5,459,600	+£7,412,700

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

- 3.3 Whilst there is a pressure on our staffing budget, this will be managed bottom-line this financial year. However, it has been agreed that the additional budget for the pay award will be made available next financial year.

4. Transformation Programme

- 4.1 The prescribing budget for 2017/18 has now been finalised. This enabled a review of the transformation savings across the IJB against targets, and the subsequent update to the savings programme was agreed at the IJB meeting in September.
- 4.2 The overall savings target for 2017/18 is £17.935m with expected achievement of £17.635m, leaving a shortfall of £300,000.

5. Reasons for Major Budget Variances

5.1 Children and Families

- 5.1.1 Net expenditure is underspent by £195,000.
- 5.1.2 Employee costs is overspent by £665,000, mainly in relation to overtime and pay and allowances within the provided residential units. This includes the net cost of operating the residential unit for Unaccompanied Asylum Seeking Young Women (£362,000) which has now closed.
- 5.1.3 Residential School placement numbers have decreased by 3 since Period 6 to 89, with a full-year commitment of £17.80m. The overspend to date is £33,000 and includes 5 placements within secure establishments.
- 5.1.4 Purchased placements have decreased by 5 since Period 6 to 401, with a full-year commitment of £24.48m, and an underspend to date of £193,000.
- 5.1.5 In other areas of the service there are underspends in provided foster care (£559,000), kinship care (£252,000), and shared care and community respite (£184,000). These underspends are partially offset by an overspend in Cordia Transport (£258,000) mainly in respect of young people in care being taken for contact visits with family or to school.
- 5.1.6 Within School Nursing, a £400,000 savings target has been applied and largely achieved. Full achievement is expected by the end of the year, with a further review of the service on-going. Year-to-date, this service is £45,000 overspent. Health Visiting development funding from the Scottish Government has been partially distributed and will give provision for growth in the trained staff cohort. The staffing growth mirrors the academic rather than fiscal year and this presents some phasing challenges, which it is proposed to address by utilising the carry forward facility for earmarked reserve funds. In addition to the areas noted above, a number of smaller overspends in Childsmile and PACT are returning a £49,000 overspend. Some progress has been made towards the NHS Children's Services savings programme but there currently remains a gap, resulting in a year to date overspend of £72,000.

5.2 Older People and Physical Disability

- 5.2.1 Net expenditure is underspent by £1,243,000.
- 5.2.2 There is an underspend of £991,000 mainly in relation to slippage within the Older People's Residential and Day Care Strategy.
- 5.2.3 There is an underspend of £107,000 in the Adaptations budget. This is due to a downturn in activity in the supply of hoists and stairlifts in service user homes.
- 5.2.4 Physical Disability has an overspend of £363,000 across Purchased Services, Personalisation and Direct Payments. This is attributable to unachieved savings.
- 5.2.5 Income is over-recovered by £148,000 mainly in relation to client contributions for Homecare charges and recovery of Direct Payments.
- 5.2.6 Treatment Room staffing is overspent by £45,000, which is offset by an underspend within Out of Hours Nursing (£125,000), Senior and District Nursing (£70,000) and Rehabilitation Services (£134,000), as a result of staff turnover. Although some of the NHS Older People's savings have been achieved, unachieved savings relating to the Older People's System of Care programme to develop integrated teams is resulting in a year to date overspend of £74,000.

5.3 Addictions

- 5.3.1 Net expenditure is underspent by £567,000.
- 5.3.2 This is mainly attributable to Purchased Services (£375,000), where occupancy levels within residential rehabilitation services have reduced.
- 5.3.3 There is a non-recurring underspend of £155,000 within the Community Addiction Teams due to staff turnover, and recruitment is ongoing.

5.4 Elderly Mental Health

- 5.4.1 Net expenditure is overspent by £1,958,000.
- 5.4.2 There are ongoing costs of beds in Darnley and Quayside, accommodating adults with incapacity ('AWI') who have been discharged from acute services. There is no specific budget for these costs which, year-to-date, amount to £844,000.
- 5.4.3 The vast majority of the overspend relates to inpatient services. Year-to-date, this amounts to £1,350,000, almost all of which is due to unachieved savings of £1,391,000.
- 5.4.4 An underspend of £237,000 within other community staffing budgets offsets nursing pressures of £166,000 within Gartnavel inpatient wards mainly as a result of cover for staff sickness absence.

5.5 Learning Disability

- 5.5.1 Learning Disability services are underspent by £61,000.
- 5.5.2 Employee costs is overspent by £135,000 mainly in relation to Assessment and Care Management.
- 5.5.3 There is an underspend within the Day Services in respect of Supplies and Services (£88,000) and Transport (£44,000).
- 5.5.4 There is an overspend of £175,000 across Purchased Services, Personalisation and Direct Payments.
- 5.5.5 Income is over-recovered by £116,000 in respect of recovery of Direct Payments and outstanding client contributions.
- 5.5.6 NHS Community Teams are underspent by £98,000 due to vacancies and turnover.

5.6 Homelessness

- 5.6.1 Homelessness services are underspent by £33,000.
- 5.6.2 There is an underspend of £274,000 which is mainly attributable to vacancies across Occupational Therapy, Nursing and Admin.
- 5.6.3 Property rates are overspent by £250,000 and City Building recharges for Temporary Furnished Flats (TFFs) by £150,000. In addition, income is under-recovered by £375,000 in relation to rental income and unsubsidised Housing Benefit.
- 5.6.4 There is an underspend of £531,000 in relation to net savings made from prior year tendering activity.

5.7 Adult Mental Health

- 5.7.1 Adult Mental Health services are underspent by £594,000.
- 5.7.2 Savings unachieved amount to £249,000 year to date. There has been a reversal of the savings target associated with Primary Care Mental Health and Mental Health Inpatient Services following the report to the IJB in September. The remaining savings targets largely relate to Citywide or Hosted services and work is underway to progress plans to secure delivery of these savings.
- 5.7.3 There are overspends across the city in respect of Psychiatric Medical staffing amounting to £116,000, due to maternity leave cover and unfunded sessions which are currently being investigated.

- 5.7.4 Acute admissions to mental health beds in the North of the city is overspent by £33,000 largely related to nursing pressures at Parkhead and the Intensive Psychiatric Care units. These pressures are offset by underspending within the South inpatient wards at Leverndale amounting to £200,000, resulting in a net underspend of £167,000 across the city in relation to Acute admissions.
- 5.7.5 There are underspends in Crisis services (£116,000), Allied Health Professionals – mainly Occupational Therapy (£104,000), Specialist Citywide Services (£167,000), Central Nursing (£148,000) and Psychology (£188,000), largely due to periods of vacancies and turnover.
- 5.7.6 There is an underspend of £95,000 relating to Direct Payments.

5.8 Hosted Services

- 5.8.1 Hosted Services are made up of Sexual Health Services and Police Custody Healthcare and are underspent by £199,000. This is largely as a result of medical and nursing vacancies within the Police Custody service (£184,000). Within Sexual Health, the underspend of £15,000 is due to turnover within Medical and Nursing, partially offset by drug pressures of £262,000 for new PReP prescribing.

5.9 Other Services

- 5.9.1 Other Services are underspent by £2,101,000. This relates largely to the Contingency budget which has some commitments against it for new service provision but expenditure has slipped in the current year.

5.10 Prescribing Costs

- 5.10.1 Budgets and savings targets for Prescribing costs have recently been finalised and the budget increase is reflected in this report. A break-even position has been reported at month 06, however the risks on short supply, off patent savings, increased demand and price inflation should be noted, with the potential impact for 2018/19.

6. Action

- 6.1 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. In particular, there is a review of the plan for inpatient bed closures in Adult and Older People Mental Health to examine the phasing of the closures and the achievability in 2017/18.

7. Conclusion

- 7.1 Net expenditure is £2.994m less than budget to date, with the recently completed Probable Outturn projecting a year end underspend of £3.946m. The overall position will be kept under review to the end of the financial year to ensure any material changes are identified such as performance during the approaching winter months.

A number of NHS savings initiatives through the transformation programme have yet to achieve the required level of savings. These initiatives are being critically reviewed and closely monitored by the IJB's Integration Transformation Board and will be reported on in future monitoring statements.

7.2 In line with the approved Reserves Policy, any net underspend which may occur within 2017/18 will 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. Alternatively, general reserves may be required to mitigate against the budget pressures referred to within this report. Earmarked reserves will be released as expenditure is incurred.

7.3 A number of potential risks are highlighted throughout this monitoring report which will require to be mitigated going forward, and consideration will be given to providing for ear-marked reserves in these areas.

8. Recommendations

8.1 The IJB Finance & Audit Committee is asked to:

a) note the contents of this report.

Glasgow City Integration Joint Board

Budget Monitoring Statement to end September / Period 7 2017/18

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
153,491	1,822	151,669	Children and Families	76,897	77,092	-195
23,250	18,376	4,874	Prisons Healthcare and Criminal Justice	3,418	3,372	46
259,130	21,975	237,155	Older People and Physical Disabilities	109,946	111,189	-1,243
42,687	1,113	41,574	Addictions	20,793	21,360	-567
2,164	317	1,847	Carers	670	675	-5
29,429	1,071	28,358	Elderly Mental Health	17,611	15,653	1,958
66,332	685	65,647	Learning Disability	32,804	32,865	-61
103,398	13,568	89,830	Mental Health	44,442	45,036	-594
77,149	29,801	47,348	Homelessness	20,257	20,290	-33
127,530	0	127,530	Prescribing	63,545	63,545	0
181,590	8,772	172,818	Family Health Services	89,235	89,235	0
13,932	1,368	12,564	Hosted Services	5,857	6,056	-199
62,006	4,896	57,110	Other Services	27,576	29,677	-2,101
1,142,088	103,764	1,038,324	Totals	513,050	516,044	-2,994

Less Transfer to Reserves

2,994

0

Budget Variance by Subjective Analysis

Annual Budget		Actual to Date	Budget to Date	Variance to Date
£000	Expenditure	£000	£000	£000
330,307	Employee costs	163,043	163,638	-595
24,642	Premises Costs	13,091	12,592	499
4,330	Transport Costs	2,504	2,099	405
70,272	Supplies and Services	33,085	35,553	-2,468
371,824	Third Party Costs	177,015	179,858	-2,843
29,524	Transfer Payments	12,375	12,524	-149
840	Capital Financing Costs	0	0	0
134,030	Prescribing	66,693	66,682	11
181,449	Family Health Services	93,721	93,718	3
-5,130	Unachieved Savings	0	-2,259	2,259
1,142,088	Total Expenditure	561,527	564,405	-2,878
103,764	Income	48,477	48,361	116
1,038,324	Net Expenditure	513,050	516,044	-2,994