

**Glasgow City
Integration Joint Board
Finance, Audit and Scrutiny Committee**

Report By: Sharon Wearing, Chief Officer, Finance and Resources

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**Glasgow City Integration Joint Board Budget Monitoring
for Month 3 and Period 4 2021/22**

Purpose of Report:

This report outlines the financial position of the Glasgow City Integration Joint Board as at 30th June 2021 (Health) and 2nd July 2021 (Council) and highlights any areas of budget pressure and actions to mitigate these pressures.

Background/Engagement:

The financial position of the Glasgow City Integration Joint Board is monitored on an ongoing basis throughout the financial year and reported to each meeting of the Board.

Recommendations:

The IJB Finance, Audit and Scrutiny Committee is asked to:

- a) note the contents of this report; and
- b) approve the recurring funding for the packages of care outlined at section 5.2.4.

Relevance to Integration Joint Board Strategic Plan:

This report outlines expenditure against budget in delivery of the range of Health and Social Care services described within the Integration Joint Board Strategic Plan.

Implications for Health and Social Care Partnership:

Reference to National Health & Wellbeing Outcome:

Not applicable at this time.

Personnel:

Not applicable at this time.

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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.
Fairer Scotland Compliance:	The expenditure on services supports the delivery of a Fairer Scotland.
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. Purpose

- 1.1. This monitoring statement provides a summary of the financial performance of Glasgow City Integration Joint Board for the period 1 April 2020 to 30th July 2021 (Health), and to 2nd July 2021 (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 £0.259m higher than budget to date. Gross expenditure is £1.261m (0.37%) overspent, and income is over-recovered by £1.001m (2.41%).
- 2.2. Appendix 1 shows the current budget variance by both care group and subjective analysis.

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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 3/Period 4 the net expenditure budget has increased by £17.815m. 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
Criminal Justice Funding - Supported Bail project	£190,400	-£190,400	£0
Criminal Justice Funding - Violence Against Women and Girls	£225,193	-£225,193	£0
Criminal Justice Funding - Support Pandemic Recovery	£2,299,348	-£2,299,348	£0
Criminal Justice Scottish Government Funding	£612,518	-£612,518	£0
Homelessness Budget Realignment -Rent Paper	-£1,161,546	£1,161,546	£0
Scottish Government Funding Third Party £500 payment	£8,572,874	-£8,572,874	£0
Child Healthy Weight	£187,728	£0	£187,728
Income due for Sexual Assault Referral Centre (SARC)	£457,724	-£457,724	£0
Glasgow Infant Feeding Team NSSPC Income	£246,567	-£246,567	£0
Trauma Services SLA income	£237,400	-£237,400	£0
NES Income: Psychology & Nursing posts	£1,379,924	-£1,379,924	£0
NHS Lothian income for South of Scotland CBT course	£123,700	-£123,700	£0
Partnerships Bed Income	£0	-£318,892	-£318,892
Mother & Baby Unit Funding	£299,462	£0	£299,462
Community Perinatal Funding	£532,300	£0	£532,300
Psychological Therapies Waiting List Funding	£1,110,626	£0	£1,110,626
Mental Health Support Monies for People Hospitalised by Covid	£411,920	£0	£411,920
Action 15 Mental Health Monies - Tranche 1	£1,908,913	£0	£1,908,913
Primary Care Improvement Monies - Tranche 1	£8,317,982	£0	£8,317,982
Alcohol & Drugs Partnership Local Improvement Fund	£2,046,396	£0	£2,046,396
Family Health Services (FHS) Funds	£3,081,705	-£5,360	£3,076,345
External Secondments	£225,937	-£225,937	£0
Practice Education Facilitators income from Universities	£169,364	-£169,364	£0
Other Adjustments	£579,201	-£336,558	£242,643
Total	£32,055,636	-£14,240,213	£17,815,423

4. Transformation Programme

- 4.1 The overall savings target for 2021/22 is £5.879m. At this stage of the year it is anticipated that actual savings realised will be £5.225m representing 89% of the target.

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4.2 The unachieved savings target from prior years is £2.969m. At this stage of the year it is anticipated that £0.314m is forecast to be achieved. Delivery of savings had been impacted by the need to focus resources in responding to COVID-19. These are mainly linked to savings identified for the Maximising Independence Programme and Transport savings. Programme boards have re-commenced to support major savings initiatives; however, it is anticipated that full delivery will not be achievable in 2021-22.

4.3 The savings realised are reflected in the overall financial position reported in this monitoring statement.

5. Reasons for Major Budget Variances

5.1 Children and Families

5.1.1 Net expenditure is underspent by £0.542m.

5.1.2 Employee costs is overspent overall by £0.148m. Overtime in the Children's Houses is overspent by £0.317m mainly due to absence cover and additional support for young people with complex needs, and Health Visiting is overspent by £0.313m which is linked to the unfunded national regrading in 2018. This is partially offset by an underspend of £0.547m due to vacancies and turnover.

5.1.3 Third Party and Transfer Payment costs are underspent by £0.043m. Residential Schools are overspent by £0.315m, with current placements totaling 39 which represents a net reduction of 2 since 1 April 2021. Purchased foster placements total 198, a net decrease of 13 since 1 April 2021, with an underspend of £0.372m and provided fostering is underspent by £0.121m with placement numbers totaling 547. In addition, there is an underspend in Adoption and Community Respite of £0.203m.

5.1.4 Income is over-recovered overall by £0.687m. Unaccompanied Asylum Seeking Children (UASC) income is over-recovered by £0.593m based on cases accepted to date by the Home Office. There is an over-recovery of £0.079m in relation to income from staff secondments.

5.2 Adult Services

5.2.1 Net expenditure is overspent by £0.831m.

5.2.2 Employee costs are underspent by £0.564m throughout all services due to periods of vacancies, turnover and difficulties recruiting to posts. Recruitment has progressed for trained nursing posts in Mental Health services; 130 student nurses have recently been appointed to fill vacancies throughout Inpatients, Community & Specialist services from September. Service reviews, in both Sexual Health Services & Complex Needs Services, have concluded and are now in the implementation phase which should see new posts being filled.

5.2.3 Third Party and Transfer Payment costs are overspent by £1.470m attributable to Learning Disabilities and Mental Health Purchased Services and Personalisation. This reflects an increase in demand experienced within these services, including new demand and unachieved savings linked to Maximising Independence Programme.

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- 5.2.4 Adult Services has recently assessed the needs of 10 adults who required individual support packages at a combined cost of £3,069,165 per annum recurringly. To date, where notional values exceeded the level of £500,000 the scheme of delegation required that Contracts and Property Committee approval is sought under Standing Orders.
- 5.2.5 Following recent communication from GCC Director of Legal & Admin it was confirmed that this permission should now sit with Social Work; this reflects on-going discussion regarding the role of both Legal and Audit and Contracts and Property Committee in terms of authorising professional social work assessment decisions. In accordance with the previous and revised Glasgow City Council standing orders, these were considered and approved at Glasgow City Council's Contract and Property Committee on 20th May and the HSCP Business Meeting on 1st June and 2nd August. These packages of care have been recommended following consideration of a range of service option to meet these individual care needs. The IJB Finance, Audit and Scrutiny is asked to approve these commitments on a recurring basis funded from within existing budgets.

5.3 Older People and Physical Disability

- 5.3.1 Net expenditure is over spent by £0.104m.
- 5.3.2 Employee costs are overspent by £0.364m. Homecare services are overspent by £0.430m and Older People Residential by £0.277m. The impact of COVID on staff absence and supporting additional needs of service users during the pandemic has added to overtime and agency costs throughout the service. Overspends are partly offset by underspends in Community Health Services and Carers Services due to ongoing vacancies and delays in recruitment.
- 5.3.3 Purchased care homes are underspending by £0.774m to date. The pandemic has had a significant impact on our assumptions. Year to date admissions are 4% less than planning assumptions and discharges 12% higher than planning assumptions.
- 5.3.4 Personalisation is overspending by £1.006m. This reflects an increase in demand experienced, including new demand. This is being partially offset by other purchased services underspends of £0.101m which is reflective of demand and the ability of the HSCP and providers to respond to services as we emerge out of the pandemic.
- 5.3.5 Supplies and services are underspending by £0.167m mainly within Care Alarms services in relation to the purchase of telecare equipment and is reflective of services operating at a reduced capacity during the pandemic.
- 5.3.6 Transport is overspent by £0.193m due to repairs to the ageing fleet of vehicles.
- 5.3.7 Income is under recovered by £0.098m mainly within Day Care, Lunch Clubs and Homecare Services.

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5.4 Resources

- 5.4.1 Net expenditure is overspent by £0.356m.
- 5.4.2 Supplies and Services is overspent by £0.655m. There is an overspend of £0.153m mainly across the Equipu, Stairlifts and Ceiling Track Hoists as activity increases & more equipment is being purchased/utilised by the partnership. There is also an overspend of £0.500m resulting from the provision for I.T. licenses which are to be renewed this financial year.
- 5.4.3 There is an over-recovery in income of £0.398m mainly due to increased activity across the Equipu, Stairlifts and Ceiling Track Hoists which is reflected in the overspend in Supplies and Services. These services have a net position of £0.001m over.

5.5 Primary Care

- 5.5.1 Primary Care is showing an underspend position of £0.491m.
- 5.5.2 Vacancies within Prescribing Support Services and Health Improvement teams are contributing to an underspend of £0.489m.
- 5.5.3 Prescribing is currently showing a break even position which is summarised in the table below.

Main Areas	£m
Schedule 4 GIC (Gross Ingredient Cost) – main GP prescribing budget	0.100
Other	-0.100
Net Expenditure	0.000

- 5.5.4 Prescribing volumes remain volatile this year, increases in April have been offset with a reduction in May. This has partly negated the impact of higher prices due to short-supply. This will continue to be closely monitored as the year progresses and more data becomes available.
- 5.5.5 The IJB holds earmarked reserves of £2.962m to offer a contingency in this budget due to the anticipated risk associated with pricing and also the potential impact of BREXIT.

5.6 Response to COVID-19

- 5.6.1 Funding of costs associated with COVID-19, for services delegated to the IJB, will be routed through Greater Glasgow and Clyde Health Board and passed through to the IJB to meet costs. To date the IJB has received £17.125m of funding to meet costs in 2021-22 and this is held in earmarked reserves. To date costs of £4.182m have been incurred.
- 5.6.2 Full year costs of £37m are anticipated and discussions with Scottish Government continue in relation to this funding. The IJB continues to provide the Scottish Government with regular updates in relation to forecasted spend for all services and the cost of responding to the pandemic and this will be used by the Scottish Government in assessing future funding needs. At this stage full funding is anticipated.

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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.

7. Conclusion

- 7.1 Net expenditure is £0.260m higher than budget to date.
- 7.2 A number of 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.
- 7.3 In line with the approved Reserves Policy, any net overspend which may occur within 2021/22 will be met from general reserves at the end of the financial year.

8. Recommendations

- 8.1 The IJB Finance, Audit and Scrutiny Committee is asked to:
- a) note the contents of this report; and
 - b) approve the recurring funding for the packages of care outlined at section 5.2.4.

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Appendix 1

Glasgow City Integration Joint Board

Budget Monitoring Statement to end May/Period 4 2021/22

Budget Variance by Care Group

Annual Net Expenditure Budget £000		Actual Net Expenditure to Date £000	Budgeted Net Expenditure to Date £000	Variance to Date £000
158,946	Children and Families	41,694	42,236	-542
311,191	Adult Services	75,077	74,246	831
314,987	Older People (incl Dementia)	74,736	74,632	104
27,819	Resources	10,516	10,159	357
-801	Criminal Justice	1,104	1,104	0
362,224	Primary Care	90,933	91,423	-491
4,182	COVID-19	4,182	4,182	0
1,178,549	Total	298,243	297,982	259

	Funded By :-
434,575	Glasgow City Council
739,265	NHS Greater Glasgow & Clyde
4,709	Drawdown of Earmarked Reserves
1,178,549	

Transfer from Reserves	- 259
Net Balance	0

Budget Variance by Subjective Analysis

Annual Budget £000		Actual to Date £000	Budget to Date £000	Variance to Date £000
	Expenditure			
518,306	Employee costs	136,756	135,779	975
25,694	Premises Costs	3,740	3,491	249
5,799	Transport Costs	1,429	1,402	27
56,209	Supplies and Services	17,770	18,833	-1,063
324,103	Third party Costs	82,821	82,623	198
34,700	Transfer Payments	11,651	10,775	876
765	Capital Financing Costs	0	0	0
127,712	Prescribing	31,956	31,959	-3
214,636	Family Health Services	54,745	54,743	2
1,307,925	Total Expenditure	340,868	339,605	1,261
129,377	Income	42,625	41,623	1,001
1,178,549	Net Expenditure	298,243	297,982	259

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