
Report To: Inverclyde Integration Joint Board **Date:** 10 September 2019

Report By: Louise Long
Corporate Director (Chief Officer)
Inverclyde Health & Social Care
Partnership **Report No:** IJB/61/19/LA

Contact Officer: Lesley Aird
Chief Financial Officer **Contact No:** 01475 715381

Subject: **FINANCIAL MONITORING REPORT 2018/19 – PERIOD TO 30 JUNE 2019, PERIOD 3**

1.0 PURPOSE

- 1.1 The purpose of this report is to advise the Inverclyde Integration Joint Board (IJB) of the Revenue and Capital Budgets, other Income Streams and Earmarked Reserves position for the current year with a detailed report as at Period 3 to 30 June 2019.

2.0 SUMMARY

- 2.1 The detailed report outlines the financial position at Period 3 to the end of June 2019. The current year end operating projection for the Partnership is a projected underspend of £0.513m. The IJB is expected to utilise a net £1.747m of its Earmarked Reserves in year on previously agreed projects and spend, including the impact of any transfers to/from reserves as a result of anticipated over and under spends.
- 2.2 At Period 3 there is a projected underspend of £0.513m on Social Care Services. The main elements of the underspend are detailed within this report and attached appendices.
- 2.3 Health services are currently projected to outturn in line with the revised budget.
- 2.4 The Chief Officer and Heads of Service will continue to work to mitigate any projected budget pressures and keep the overall IJB budget in balance for the remainder of the year. It is proposed that as in previous years, any over or under spend is taken from or added to IJB reserves.
- 2.5 The report outlines the current projected spend for the Transformation Fund, Integrated Care Fund and Delayed Discharges money.
- 2.6 The assets used by the IJB and related capital budgets are held by the Council and Health Board. Planned capital spend in relation to Partnership activity is budgeted as £1.093m for 2019/20 with an actual spend to date of £0.107m.
- 2.7 The IJB holds a number of Earmarked and General Reserves; these are managed in line with the IJB Reserves Policy. The total Earmarked Reserves available at the start of this financial year were £6.271m, with £1.010m in Un-Earmarked Reserves, giving a total Reserve of £7.281. The projected yearend position is a carry forward of £5.534m.

3.0 RECOMMENDATIONS

3.1 It is recommended that the Integration Joint Board:

1. Notes the current Period 3 forecast position for 2019/20 and Period 3 detailed report contained in (Appendices 1-3);
2. Approves the proposed budget realignments and virement (Appendix 4) and authorises officers to issue revised directions to the Council and/or Health Board as required on the basis of the revised figures enclosed (Appendix 5);
3. Approves the planned use of the Transformation Fund (Appendix 6)
4. Notes the planned use of the Integrated Care Fund and Delayed Discharge monies (Appendix 7)
5. Notes the current capital position (Appendix 8);
6. Notes the current Earmarked Reserves position (Appendix 7).

Louise Long
Corporate Director (Chief Officer)

Lesley Aird
Chief Financial Officer

4.0 BACKGROUND

4.1 From 1 April 2016 the Health Board and Council delegated functions and are making payments to the IJB in respect of those functions as set out in the integration scheme. The Health Board have also “set aside” an amount in respect of large hospital functions covered by the integration scheme.

4.2 The IJB Budget for 2019/20 was set on 24 June 2019. The table below summarises the agreed budget and funding together with the projected operating outturn at 30 June:

	Revised Budget 2019/20 £000	Projected Outturn £000	Projected Over/(Under) Spend £000
Social Work Services	67,154	66,641	(513)
Health Services	71,287	71,287	0
Set Aside	16,857	16,857	0
HSCP NET EXPENDITURE	155,298	154,785	(513)
FUNDED BY			
Transfer from / (to) Reserves	0	(513)	(513)
NHS Contribution to the IJB	104,769	104,769	0
Council Contribution to the IJB	50,529	50,529	0
HSCP OPERATING SURPLUS/(DEFICIT)	155,298	154,785	(513)
Planned Use of Reserves	(1,747)	(1,747)	
Annual Accounts CIES Position	(1,747)	(1,747)	(513)

4.3 Updated Finance Position and Forecasting to Yearend

Timelines for Committee paper submission mean that, by necessity, finance reports are often a couple of months old by the time they come to the IJB. This creates potential governance issues:

- If the Board is not seeing up-to-date financial forecasts and projections decision making and financial governance is weakened; this is particularly important in the second half of each financial year
- For the IJB, month end and committee timelines mean that the October report comes to the IJB in late January and the December report in mid-March

These are being addressed as follows:

- An updated finance summary detailing any significant changes to financial forecasts from the report date to the current period will be provided as part of the monitoring report presentation from the October report onwards

This ensures that the Board still receives the full detailed finance pack but is also updated on any substantive changes to the forecast position in between the pack date and the meeting date.

5.0 SOCIAL WORK SERVICES

5.1 The projected outturn for social work services at 30 June 2019 is a £0.513m underspend.

5.2 The Social Work budget includes agreed savings of £1.429m. It is anticipated that this will be delivered in full during the year.

Appendix 2 contains details of the Social Work outturn position. The main variances are detailed below with further detail provided in Appendix 2A.

Underspends due to:

- Additional turnover savings being projected across services £0.323m,
- A £0.166m underspend over various budget lines due to the Learning Disability estates programme,
- A projected underspend of £0.360m due to budget that has been identified within the Directorate to assist with funding of the proposed Learning Disability Hub.

Offset in part by:

- An £0.085m projected overspend on agency staff costs,
- A projected overspend of £0.312m due to one client's package cost shared between Criminal Justice and Learning Disabilities.

6.0 HEALTH SERVICES

6.1 The projected outturn for health services at 30 June 2019 is in line with the revised budget.

6.2 The total budget pressure for Health was £0.657m which is covered by efficiencies made in previous years and additional in year uplift and continuing care monies.

6.3 Mental Health Inpatients

When it was originally established the IJB inherited a significant budget pressure related to mental health inpatient services due to the high levels of special observations required in that area. Work has been ongoing locally to minimise this pressure. In addition Mental Health provision across GG&C is under review and it is anticipated that this, together with local work, will address this budget pressure for this and future years.

6.4 At Period 3 the year to date overspend on Mental Health is £0.115m.

6.5 The service has successfully addressed elements of the historic overspend. This budget will be closely monitored throughout the year and work will be done to ensure that the underlying budget is sufficient for core service delivery going forward.

6.6 Prescribing

Currently projected as in line with budget. This has been based on latest advice from the prescribing teams. Any overall over or underspend on prescribing will be taken from or transferred to a Prescribing Smoothing Reserve, in place to cover one off in year pressures linked to short supply etc. The prescribing position will be closely monitored throughout the year.

6.7 To mitigate the risk associated with prescribing cost volatility, the IJB agreed as part of its 2018/19 and 2019/20 budgets to invest additional monies into prescribing. However, due to the uncertain, externally influenced nature of prescribing costs, this remains an area of potential financial risk going forward.

6.8 GP Prescribing is experiencing in-year pressure due to increased premiums paid for drugs that are on short supply. There is every likelihood that the short supply issues will continue for the remainder of the financial year, therefore we have estimated using our full prescribing budget assuming that the current short supply issues are not resolved and no further drugs go on short supply. It must be emphasised that GP Prescribing is an extremely volatile area and a drug going on short supply can have significant financial consequences.

6.9 There is an expectation that some money will be recoverable from Community Pharmacists (CP) as the nationally set tariffs currently being paid for drugs are estimated to generate profit margins to CPs in excess of the minimum amount agreed.

6.10 Set Aside

- The Set Aside budget in essence is the amount “set aside” for each IJB’s consumption of large hospital services.
- Initial Set Aside base budgets for each IJB were based on their historic use of certain Acute Services including: A&E Inpatient and Outpatient, general medicine, Rehab medicine, Respiratory medicine and geriatric medicine.
- Legislation sets out that Integration Authorities are responsible for the strategic planning of hospital services most commonly associated with the emergency care pathway along with primary and community health care and social care.
- The Set Aside functions and how they are used and managed going forward are heavily tied in to the commissioning/market facilitation work that is ongoing

Work is ongoing detailing the Set Aside position within GG&C for each HSCP. Activity data is now available in almost real time and will be converted to “bed days” over the next few weeks. Budgets are being worked up based on this data. A draft proposal for how the Set Aside budget could work is currently being refined. Further updates will be brought to the IJB as available.

6.11 Prior Year Savings

As part of the 2017/18 budget the IJB approved a saving of £0.140m against Allied Health Professional Services (AHP). Due to service changes and increased demand for Occupational Therapy and other AHP services to help reduce service pressures and improve delayed discharge performance this saving has not yet been delivered on a recurring basis. Some posts have been held as vacant for periods of time to deliver the saving non recurrently but this creates a service pressure and does not address the underlying budget gap. To address this going forward it is proposed to amend the original saving proposal to the following which can be delivered in year:

- 0.3 vacant Addictions OT post to be funded from new ADP monies
- Remodelling inpatient OT provision and re-provision of balance of existing resource to community in line with the 5 year mental health strategy
- £0.018m to be funded recurrently from Integrated Care Fund budget
- Balance to be funded from various other non-staff budgets with historic underspends

7.0 VIREMENT AND OTHER BUDGET MOVEMENTS

7.1 Appendix 4 details the virements and other budget movements that the IJB is requested to note and approve. These changes have been reflected in this report. The Directions which are issued to the Health Board and Council require to be updated in line with these proposed budget changes. The updated Directions linked to these budget changes are shown in Appendix 5. These require both the Council and Health Board to ensure that all services are procured and delivered in line with Best Value principles.

7.2 In addition to the virement detailed in Appendix 4 the IJB is asked to approve the transfer of a 0.6 WTE Grade F post from Social Care to the Council to undertake duties currently carried out by the Homelessness Service. This would result in a recurring budget transfer from the IJB to the Council of £0.020m.

8.0 TRANSFORMATION FUND, INTEGRATED CARE FUND & DELAYED DISCHARGE

8.1 Transformation Fund

The Transformation Fund was set up at the end of 2018/19. The Fund was increased at the end of 2018/19 from in-year underspends. At the beginning of this financial year the Fund had grown to £2.505m. Spend against the plan is done on a bids basis through the Transformation Board. Appendix 6 details the current agreed commitments against the fund. At Period 3 there is £1.403m committed and £1.101m still available from the fund. Proposals with a total value in excess of £0.100m will require the prior approval of the IJB.

- 8.2 The IJB is asked to approve up to £0.200m from the Transformation Fund to put additional support in place to support the implementation of the Commissioning Workplan as part of the Market Facilitation and Commissioning Plan.

The IJB currently spends around £35m per annum on commissioned services. This £0.200m investment would:

- Allow for additional staffing resource 3 WTE to be brought into the Strategic Commissioning Team for a 2 year period to progress commissioning work (pending Council CMT approval of the additional posts):
 - 1 Procurement Officer (temp 2 years)
 - 1 Strategic Commissioning Officer (temp 2 years)
 - 1 Strategic Commissioning Support Officer (temp 2 years)
- Help ensure that the IJB is able to deliver best value in its commissioned services.
- Support the delivery of future years savings linked to commissioned services

8.3 Integrated Care Fund (ICF) and Delayed Discharge Funding (DD)

Appendix 7 details the current budget, projected outturn and actual spend to date for these funds.

9.0 CURRENT CAPITAL POSITION - nil Variance

- 9.1 The Social Work capital budget is £1.861m over the life of the projects with £1.093m budgeted to be spent in 2019/20, comprising:

- £0.995m for the replacement of Crosshill Children's Home,
- £0.055m for the upgrade of the Equipment Store in the Inverclyde Centre for Independent Living,
- £0.043m for projects complete on site.

9.2 Crosshill Children's Home:

- The former Neil Street Children's Home is in use as temporary decant accommodation for the Crosshill residents.
- The demolition of the existing Crosshill building was completed in Autumn 2018. Main contract work commenced on site in October 2018.
- Foundation and drainage works were completed 1st Quarter 2019. As previously reported, site issues had delayed the progress of the foundations and this affected the delivery time of the timber kit. The external timber kit and roof trusses have now been installed. Roof tiling is in progress. Installation of internal partitions is in progress.
- A minor redesign to provide an additional bedroom and en-suite (within the existing floor plate) has been progressed to address concerns on future capacity. It should be noted that should this be taken forward there is likely to be a minor cost impact and further delay to the programme both of which are currently being assessed.
- The original Contract Period was 39 calendar weeks with completion in July 2019 however as previously reported the delays above have impacted the completion date. The Contractor is currently intimating completion late November 2019.

9.3 Inverclyde Centre for Independent Living

The works to the above are being progressed in conjunction with essential roofing works. The HSCP funded element addresses alterations to the decontamination area to comply with current hygiene regulations. The replacement of the existing roof covering which contains asbestos is being funded from the Core Property General Allocation. The store will be decanted for the duration of the works. Tenders for the main works have been returned and are being assessed. It is anticipated the works will commence mid-August with a completion in November 2019.

10.0 EARMARKED RESERVES

- 10.1 The IJB holds a number of Earmarked and Un-Earmarked Reserves; these are managed

in line with the IJB Reserves Policy. As part of the 2018/19 year-end, following feedback from the June IJB, a £1.010m general reserve was created from in year underspends previously earmarked for OP Residential and Nursing Smoothing reserve and the Prescribing smoothing reserve. Total reserves at the start of 2019/20 are £7.281m, £6.271m of Earmarked reserves and £1.01m of general reserves. To date at Period 3, £1.711m of new reserves are expected in year, £0.515m has been spent, projected carry forward at the yearend is £5.534m. Appendix 9 shows all reserves under the following categories:

Earmarked Reserves

- Scottish Government Funding - funding ring-fenced for specific initiatives
- Existing Projects/Commitments - many of these are for projects that span more than 1 financial year
- Transformation Projects - non recurring funding to deliver transformational changes
- Budget Smoothing/Contingency - monies held as a contingency against one-off pressures in the IJBs more volatile budgets eg Children & Families Residential

Un-Earmarked Reserves

- General

11.0 STATUTORY ACCOUNTS COMPREHENSIVE INCOME & EXPENDITURE STATEMENT (CIES)

11.1 As part of a prior year audit of the IJBs statutory accounts, Audit Scotland noted that the IJB's budget monitoring reports did not clearly set out the anticipated year-end position in relation to the receipt or use of reserves in year and in particular their impact on the CIES surplus or deficit position within the Statutory Accounts.

11.2 The creation and use of reserves during the year, while not impacting on the operating position, will impact the year-end CIES outturn. For 2019/20, it is anticipated that as a portion of the brought forward £7.281m and any new Reserves are used the CIES will reflect a deficit. At Period 3, that CIES deficit is projected to be the same as the projected movement in reserves detailed in Paragraph 10.1 above and Appendix 9.

12.0 DIRECTIONS

12.1	Direction Required to Council, Health Board or Both	Direction to:	
		1. No Direction Required	
		2. Inverclyde Council	
		3. NHS Greater Glasgow & Clyde (GG&C)	
		4. Inverclyde Council and NHS GG&C	X

13.0 IMPLICATIONS

13.1 FINANCE

All financial implications are discussed in detail within the report above.

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments
N/A					

Annually Recurring Costs / (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact £000	Virement From	Other Comments

N/A					
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LEGAL

13.2 There are no specific legal implications arising from this report.

HUMAN RESOURCES

13.3 There are no specific human resources implications arising from this report.

EQUALITIES

13.4 There are no equality issues within this report.

Has an Equality Impact Assessment been carried out?

	YES (see attached appendix)
√	NO – This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required.

13.5 How does this report address our Equality Outcomes?

There are no Equalities Outcomes implications within this report.

Equalities Outcome	Implications
People, including individuals from the above protected characteristic groups, can access HSCP services.	None
Discrimination faced by people covered by the protected characteristics across HSCP services is reduced if not eliminated.	None
People with protected characteristics feel safe within their communities.	None
People with protected characteristics feel included in the planning and developing of services.	None
HSCP staff understand the needs of people with different protected characteristic and promote diversity in the work that they do.	None
Opportunities to support Learning Disability service users experiencing gender based violence are maximised.	None
Positive attitudes towards the resettled refugee community in Inverclyde are promoted.	None

13.6 **CLINICAL OR CARE GOVERNANCE IMPLICATIONS**

There are no governance issues within this report.

13.7 **NATIONAL WELLBEING OUTCOMES**

How does this report support delivery of the National Wellbeing Outcomes

There are no National Wellbeing Outcomes implications within this report.

National Wellbeing Outcome	Implications
People are able to look after and improve their own health and wellbeing and live in good health for longer.	None
People, including those with disabilities or long term conditions or who are frail are able to live, as far as reasonably practicable, independently and at home or in a homely setting in their community	None
People who use health and social care services have positive experiences of those services, and have their dignity respected.	None
Health and social care services are centred on helping to maintain or improve the quality of life of people who use those services.	None
Health and social care services contribute to reducing health inequalities.	None
People who provide unpaid care are supported to look after their own health and wellbeing, including reducing any negative impact of their caring role on their own health and wellbeing.	None
People using health and social care services are safe from harm.	None
People who work in health and social care services feel engaged with the work they do and are supported to continuously improve the information, support, care and treatment they provide.	None
Resources are used effectively in the provision of health and social care services.	Effective financial monitoring processes ensure resources are used in line with the Strategic Plan to deliver services efficiently

14.0 CONSULTATION

14.1 This report has been prepared by the IJB Chief Financial Officer. The Chief Officer, the Council's Chief Financial Officer and Director of Finance NHSGGC have been consulted.

15.0 BACKGROUND PAPERS

15.1 None.

INVERCLYDE HSCP**REVENUE BUDGET 2019/20 PROJECTED POSITION****PERIOD 3: 1 April 2019 - 30 June 2019**

SUBJECTIVE ANALYSIS	Budget 2019/20 £000	Revised Budget 2019/20 £000	Projected Out-turn 2019/20 £000	Projected Over/(Under) Spend £000	Percentage Variance
Employee Costs	49,264	51,002	50,679	(323)	-0.6%
Property Costs	1,121	1,076	1,012	(64)	-5.9%
Supplies & Services	49,521	48,742	48,665	(77)	-0.2%
Family Health Services	24,617	25,141	25,141	0	0.0%
Prescribing	18,054	18,054	18,054	0	0.0%
Income	(5,426)	(5,574)	(5,623)	(49)	0.9%
HSCP NET DIRECT EXPENDITURE	137,151	138,441	137,928	(513)	-5.9%
Set Aside	16,857	16,857	16,857	0	0.0%
HSCP NET TOTAL EXPENDITURE	154,008	155,296	154,785	(513)	-0.3%

OBJECTIVE ANALYSIS	Budget 2019/20 £000	Revised Budget 2019/20 £000	Projected Out-turn 2019/20 £000	Projected Over/(Under) Spend £000	Percentage Variance
Strategy & Support Services	2,138	2,114	2,109	(5)	-0.2%
Older Persons	28,267	28,591	28,593	2	0.0%
Learning Disabilities	11,510	11,819	11,572	(247)	-2.1%
Mental Health - Communities	6,541	6,701	6,691	(10)	-0.1%
Mental Health - Inpatient Services	8,400	9,139	9,139	0	0.0%
Children & Families	12,774	13,767	13,849	82	0.6%
Physical & Sensory	2,828	2,872	2,901	29	1.0%
Addiction / Substance Misuse	3,324	3,444	3,299	(145)	-4.2%
Assessment & Care Management / Health & Community Care	7,583	8,273	8,278	5	0.1%
Support / Management / Admin	5,769	6,040	5,555	(485)	-8.0%
Criminal Justice / Prison Service **	0	20	252	232	0.0%
Homelessness	743	1,026	1,055	29	2.8%
Family Health Services	24,618	25,142	25,142	0	0.0%
Prescribing	18,262	18,262	18,262	0	0.0%
Change Fund	1,228	1,231	1,231	0	0.0%
Unallocated Funds	3,167	0	0	0	0.0%
HSCP NET DIRECT EXPENDITURE	137,151	138,441	137,928	(513)	-0.4%
Set Aside	16,857	16,857	16,857	0	0.0%
HSCP NET TOTAL EXPENDITURE	154,008	155,298	154,785	(513)	-0.3%
FUNDED BY					
NHS Contribution to the IJB	86,534	87,912	87,912	0	0.0%
NHS Contribution for Set Aside	16,857	16,857	16,857	0	0.0%
Council Contribution to the IJB	50,617	50,529	50,529	0	0.0%
Transfer from / (to) Reserves	0	0	(513)	(513)	0.0%
HSCP NET INCOME	154,008	155,298	154,785	(513)	-0.3%
HSCP OPERATING SURPLUS/(DEFICIT)	0	0	0	0	0.0%
Anticipated movement in reserves ***	(1,747)	(1,747)	(1,747)		
HSCP ANNUAL ACCOUNTS REPORTING SURPLUS/(DEFICIT)	(1,747)	(1,747)	(1,747)		

** Fully funded from external income hence nil bottom line position.

*** See Reserves Analysis for full breakdown

SOCIAL CARE**REVENUE BUDGET PROJECTED POSITION 2018/19****PERIOD 3: 1 April 2019 - 30 June 2019**

2018/19 Actual £000	SUBJECTIVE ANALYSIS	Budget 2019/20 £000	Revised Budget 2019/20 £000	Projected Out-turn 2019/20 £000	Projected Over/(Under) Spend £000	Percentage Variance
	SOCIAL CARE					
26,882	Employee Costs	28,443	27,939	27,616	(323)	-1.2%
1,028	Property costs	1,115	1,071	1,007	(64)	-6.0%
1,185	Supplies and Services	912	933	909	(24)	-2.6%
411	Transport and Plant	381	377	367	(10)	-2.7%
799	Administration Costs	783	759	768	9	1.2%
39,552	Payments to Other Bodies	41,117	40,734	40,682	(52)	-0.1%
(16,765)	Resource Transfer	(16,751)	(16,625)	(16,625)	0	0.0%
(5,980)	Income	(5,382)	(4,659)	(4,708)	(49)	1.1%
47,112	SOCIAL CARE NET EXPENDITURE	50,617	50,529	50,016	(513)	-1.0%

2018/19 Actual £000	OBJECTIVE ANALYSIS	Budget 2019/20 £000	Revised Budget 2019/20 £000	Projected Out-turn 2019/20 £000	Projected Over/(Under) Spend £000	Percentage Variance
	SOCIAL CARE					
1,802	Strategy & Support Services	1,700	1,677	1,672	(5)	-0.3%
27,154	Older Persons	28,267	28,591	28,593	2	0.0%
11,054	Learning Disabilities	11,049	11,312	11,065	(247)	-2.2%
3,740	Mental Health	3,539	3,644	3,634	(10)	-0.3%
10,079	Children & Families	9,837	10,524	10,606	82	0.8%
2,921	Physical & Sensory	2,828	2,872	2,901	29	1.0%
1,759	Addiction / Substance Misuse	1,772	1,751	1,606	(145)	-8.3%
2,507	Business Support	3,087	3,366	2,881	(485)	-14.4%
2,101	Assessment & Care Management	2,123	2,371	2,376	5	0.2%
(32)	Criminal Justice / Scottish Prison Service	0	20	252	232	0.0%
(16,764)	Resource Transfer	(16,751)	(16,625)	(16,625)	0	0.0%
0	Unallocated Funds	2,424	0	0	0	0.0%
791	Homelessness	743	1,026	1,055	29	2.8%
47,112	SOCIAL CARE NET EXPENDITURE	50,617	50,529	50,016	(513)	-1.0%

2018/19 Actual £000	COUNCIL CONTRIBUTION TO THE IJB	Budget 2019/20 £000	Revised Budget 2019/20 £000	Projected Out-turn 2019/20 £000	Projected Over/(Under) Spend £000	Percentage Variance
49,653	Council Contribution to the IJB	50,617	50,529	50,529	0	0.0%
(2,541)	Transfer from / (to) Reserves	0	0	(513)	(513)	

SOCIAL CARE**PERIOD 3: 1 April 2019 - 30 June 2019**

Extract from report to the Health & Social Care Committee

Children & Families: Projected £82,000 (0.77%) overspend

The projected overspend primarily relates to employee costs and in the main relates to residential accommodation where there is a requirement for minimum staffing levels. This is a continuing pressure area.

Any over/ underspends on adoption, fostering, kinship and children's external residential accommodation and continuing care are transferred from/ to the earmarked reserve at the end of the year. These costs are not included in the above figures. The balance on the reserve is £1,407,000. At period 3 there is a projected net overspend of £100,000 on children's external residential accommodation, adoption, fostering and kinship and continuing care which would be funded from the earmarked reserves at the end of the year if it continues.

Criminal Justice: Projected £232,000 (12.75%) overspend

The projected overspend primarily relates to a client package cost shared with Learning Disabilities for which we are seeking additional funding from Scottish Government.

Note that the percentage variance is based on the grant total not the net budget.

Older People: Projected £1,000 (0.00%) overspend

The projected underspend comprises:

- > A projected overspend of £77,000 mainly within Respite due to overspends in overtime, travel, sessional, additional basic and allowances partially offset by an underspend due to vacant posts,
- > A projected underspend on day care contract of £32,000 and £22,000 for housing wardens contract,
- > A £35,000 projected underspend resulting from partial implementation of Ethical Care.

Any over / underspends on residential & nursing accommodation are transferred from /to the earmarked reserve at the end of the year. These costs are not included in the above figures. The balance on the reserve is £926,000. At period 3 we are projecting residential & nursing online with budget.

Learning Disabilities: Projected £247,000 (3.22%) underspend

The projected underspend comprises:

- > A projected underspend of £149,000 on employee costs mainly due to vacant posts resulting in additional turnover being achieved,
- > A projected underspend of £166,000 across various non-pay budget lines due to the planned estates programme.
- > A £68,000 overspend on Payments to other Bodies based on current client commitments. £61,000 relates to one client package cost shared with Criminal Justice.

Physical & Sensory: Projected £29,000 (1.19%) overspend

The overspend mainly relates to client commitments of £40,000.

Mental Health: Projected £10,000 (0.67%) underspend

The projected underspend comprises:

- > A projected underspend of £67,000 on employee costs mainly due to vacant posts resulting in additional turnover being achieved,
- > A £85,000 projected overspend on agency staff costs which is in line with previous year out-turn. This is partly offset by a £41,000 projected underspend on externally provided commissioned services.

Addictions: Projected £145,000 (14.91%) underspend

The projected underspend consists mainly of an over-recovery of turnover target of £134,000 on employee costs due to vacancies being held in connection with the addictions review.

Business Support: Projected £484,000 (14.24%) underspend

The projected underspend comprises:

- > A projected underspend of £73,000 on employee costs mainly due to vacant posts resulting in additional turnover being achieved,
- > A projected underspend of £360,000 that relates to funding which is being held back for the LD estates programme,
- > A projected underspend of £69,000 for unfunded criminal justice pay inflation which at this stage is not required.

HEALTH**REVENUE BUDGET PROJECTED POSITION 2018/19****PERIOD 3: 1 April 2019 - 30 June 2019**

2018/19 Actual £000	SUBJECTIVE ANALYSIS	Budget 2019/20 £000	Revised Budget 2019/20 £000	Projected Out-turn 2019/20 £000	Projected Over/(Under) Spend £000	Percentage Variance
	HEALTH					
22,075	Employee Costs	20,821	23,063	23,063	0	0.0%
20	Property	5	5	5	0	0.0%
5,815	Supplies & Services	5,586	5,939	5,939	0	0.0%
25,547	Family Health Services (net)	24,617	25,141	25,141	0	0.0%
18,394	Prescribing (net)	18,054	18,054	18,054	0	0.0%
16,764	Resource Transfer	16,751	16,625	16,625	0	0.0%
	Unallocated Funds/(Savings)	743	0	0	0	0.0%
(1,171)	Income	(44)	(915)	(915)	0	0.0%
87,444	HEALTH NET DIRECT EXPENDITURE	86,534.0	87,912	87,912	0	0.0%
16,439	Set Aside	16,857	16,857	16,857	0	0.0%
103,883	HEALTH NET DIRECT EXPENDITURE	103,391	104,769	104,769	0	0.0%

2018/19 Actual £000	OBJECTIVE ANALYSIS	Budget 2019/20 £000	Revised Budget 2019/20 £000	Projected Out-turn 2019/20 £000	Projected Over/(Under) Spend £000	Percentage Variance
	HEALTH					
2,993	Children & Families	2,937	3,243	3,243	0	0.0%
6,081	Health & Community Care	5,460	5,902	5,902	0	0.0%
2,118	Management & Admin	2,682	2,674	2,674	0	0.0%
480	Learning Disabilities	461	507	507	0	0.0%
1,537	Addictions	1,552	1,693	1,693	0	0.0%
2,972	Mental Health - Communities	3,002	3,057	3,057	0	0.0%
8,729	Mental Health - Inpatient Services	8,400	9,139	9,139	0	0.0%
499	Strategy & Support Services	438	437	437	0	0.0%
1,133	Change Fund	1,228	1,231	1,231	0	0.0%
25,547	Family Health Services	24,618	25,142	25,142	0	0.0%
18,591	Prescribing	18,262	18,262	18,262	0	0.0%
	Unallocated Funds/(Savings)	743	0	0	0	0.0%
16,764	Resource Transfer	16,751	16,625	16,625	0	0.0%
87,444	HEALTH NET DIRECT EXPENDITURE	86,534.0	87,912	87,912	0	0.0%
16,439	Set Aside	16,857	16,857	16,857	0	0.0%
103,883	HEALTH NET DIRECT EXPENDITURE	103,391	104,769	104,769	0	0.0%

2018/19 Actual £000	HEALTH CONTRIBUTION TO THE IJB	Budget 2019/20 £000	Revised Budget 2019/20 £000	Projected Out-turn 2019/20 £000	Projected Over/(Under) Spend £000	Percentage Variance
103,883	NHS Contribution to the IJB	103,391	104,769	104,769	0	0.0%

Budget Movements 2019/20

Appendix 4

Inverclyde HSCP Service	Approved Budget		Movements			Transfers (to)/ from Earmarked Reserves £000	Revised Budget
	2019/20 £000	Inflation £000	Virement £000	Supplementary Budgets £000	2019/20 £000		
Children & Families	12,774	0	994	0	0	13,767	
Criminal Justice	0	0	20	0	0	20	
Older Persons	28,267	0	324	0	0	28,591	
Learning Disabilities	11,510	0	309	0	0	11,819	
Physical & Sensory	2,828	0	44	0	0	2,872	
Assessment & Care Management/ Health & Community Care	7,583	0	690	0	0	8,273	
Mental Health - Communities	6,541	0	160	0	0	6,701	
Mental Health - In Patient Services	8,400	0	739	0	0	9,139	
Addiction / Substance Misuse	3,324	0	120	0	0	3,444	
Homelessness	743	0	284	0	0	1,026	
Strategy & Support Services	2,138	0	(24)	0	0	2,114	
Management, Admin & Business Support	5,769	0	(495)	766	0	6,040	
Family Health Services	24,618	0	0	524	0	25,142	
Prescribing	18,262	0	0	0	0	18,262	
Change Fund	1,228	0	3	0	0	1,231	
Resource Transfer	0	0	0	0	0	0	
Unallocated Funds *	3,167	0	(3,167)	0	0	0	
Totals	137,151	0	0	1,290	0	138,442	

* Unallocated Funds are budget pressure monies agreed as part of the budget which at the time of setting had not been applied across services eg pay award etc

Virement Analysis

	<u>Increase</u>	<u>(Decrease)</u>
	<u>Budget</u>	<u>Budget</u>
	<u>£000</u>	<u>£000</u>
Budget Virements since last report		
<u>Health - Reallocation of Unallocated Funds and in year uplifts as at P3</u>		
Children & Families	306	
Learning Disabilities	46	
Health & Community Care	442	
Mental Health - Communities	55	
Mental Health - Inpatient Services	739	
Addiction / Substance Misuse	141	
Strategy & Support Services	(1)	
Change Fund	3	
Management, Admin & Business Support		898
Resource Transfer		90
Unallocated Funds/(Savings)		743
<u>Social Care - Reallocation of Unallocated Funds and in year uplifts as at P3</u>		
Children & Families	687	
Learning Disabilities	263	
Physical Disabilities	44	
Health & Community Care	324	
Mental Health - Communities	105	
Homelessness	284	
Addiction / Substance Misuse		21
Strategy & Support Services		23
Assessment & Care Management	248	
Criminal Justice	20	
Management, Admin & Business Support	403	
Resource Transfer	90	
Unallocated Funds		2,424
	4,199	4,199

Supplementary Budget Movement Detail

	<u>£000</u>	<u>£000</u>
Management & Admin		766
Health - Budget realignment linked to uplift	854	
Social Care - £88k linked to Advice Services EMR already passed across in 18/19	(88)	
Family Health Services		524
Additional in year funding - Non Cash Limited Budget	524	
		1,290

INVERCLYDE INTEGRATION JOINT BOARD

DIRECTION

ISSUED UNDER S26-28 OF THE PUBLIC BODIES (JOINT WORKING)
 (SCOTLAND) ACT 2014

THE INVERCLYDE COUNCIL is hereby directed to deliver for the Inverclyde Integration Joint Board (the IJB), the services noted below in pursuance of the functions noted below and within the associated budget noted below.

Services will be provided in line with the IJB's Strategic Plan and existing operational arrangements pending future directions from the IJB. All services must be procured and delivered in line with Best Value principles.

Services: All services listed in Annex 2, Part 2 of the Inverclyde Health and Social Care Partnership Integration Scheme.

Functions: All functions listed in Annex 2, Part 1 of the Inverclyde Health and Social Care Partnership Integration Scheme.

Associated Budget:

SUBJECTIVE ANALYSIS	Budget 2019/20 £000
SOCIAL CARE	
Employee Costs	27,939
Property costs	1,071
Supplies and Services	933
Transport and Plant	377
Administration Costs	759
Payments to Other Bodies	40,734
Income (incl Resource Transfer)	(21,284)
Transfer to EMR	0
SOCIAL CARE NET EXPENDITURE	50,529

OBJECTIVE ANALYSIS	Budget 2019/20 £000
SOCIAL CARE	
Strategy & Support Services	1,677
Older Persons	28,591
Learning Disabilities	11,312
Mental Health	3,644
Children & Families	10,524
Physical & Sensory	2,872
Addiction / Substance Misuse	1,751
Business Support	3,366
Assessment & Care Management	2,371
Criminal Justice / Scottish Prison	20
Change Fund	0
Homelessness	1,026
Unallocated Budget Changes	0
Resource Transfer	(16,625)
SOCIAL CARE NET EXPENDITURE	50,529

This direction is effective from 10 September 2019.

INVERCLYDE INTEGRATION JOINT BOARD

DIRECTION

ISSUED UNDER S26-28 OF THE PUBLIC BODIES (JOINT WORKING)
(SCOTLAND) ACT 2014

GREATER GLASGOW & CLYDE NHS HEALTH BOARD is hereby directed to deliver for the Inverclyde Integration Joint Board (the IJB), the services noted below in pursuance of the functions noted below and within the associated budget noted below.

Services will be provided in line with the IJB's Strategic Plan and existing operational arrangements pending future directions from the IJB. All services must be procured and delivered in line with Best Value principles.

Services: All services listed in Annex 1, Part 2 of the Inverclyde Health and Social Care Partnership Integration Scheme.

Functions: All functions listed in Annex 1, Part 1 of the Inverclyde Health and Social Care Partnership Integration Scheme.

Associated Budget:

SUBJECTIVE ANALYSIS	Budget 2019/20 £000
HEALTH	
Employee Costs	23,063
Property costs	5
Supplies and Services	5,939
Family Health Services (net)	25,141
Prescribing (net)	18,054
Resources Transfer	16,625
Unidentified Savings	0
Income	(915)
HEALTH NET DIRECT EXPENDITURE	87,912
Set Aside	16,857
NET EXPENDITURE INCLUDING SCF	104,769

OBJECTIVE ANALYSIS	Budget 2019/20 £000
HEALTH	
Children & Families	3,243
Health & Community Care	5,902
Management & Admin	2,674
Learning Disabilities	507
Addictions	1,693
Mental Health - Communities	3,057
Mental Health - Inpatient Services	9,139
Strategy & Support Services	437
Change Fund	1,231
Family Health Services	25,142
Prescribing	18,262
Unallocated Funds/(Savings)	0
Resource Transfer	16,625
HEALTH NET DIRECT EXPENDITURE	87,912
Set Aside	16,857
NET EXPENDITURE INCLUDING SCF	104,769

This direction is effective from 10 September 2019.

INVERCLYDE HSCP
TRANSFORMATION FUND
PERIOD 3: 1 April 2019 - 30 June 2019

Total Fund at 31/03	2,505,000
Balance Committed to Date	1,403,229
Balance Still to be Committed	1,101,771

Project Title	Service Area	Approved IJB/TB	Date Approved	Agreed Funding	Spend to date	Balance to spend
CELSIS Project	Children's Services	IJB	18/06/18	31,600	6,367	90,633
Infant Feeding Coordinator - FT 18 mths	Children's Services	TB	12/09/18	27,900	7,384	20,516
Infant Feeding Coordinator - FT 18 mths - Part 2	Children's Services	TB	09/01/19	9,200		9,200
ICIL - Joint Equipment Store Upgrade	HCC	IJB	11/09/18	70,000		70,000
Unscheduled Care Plan 2018/19 - Interim Funding till NHSGG&C Funds allocated	Health & Community Care	SMT	19/09/18	44,804	8,090	36,714
Winter Plan 2018/19 - 7 month project - interim funding till NHSGG&C winter plan funding allocated	Health & Community Care	SMT	19/09/18	97,683	97,683	0
Sheltered Housing Support Services Review	Health & Community Care	TB	27/09/18	59,370		59,370
Equipment Store Stock system - £50k capital plus 1.5 yrs revenue costs up to £20k in total	ICIL	TB	09/01/19	70,000		70,000
TEC Reablement & Support to live independently. 6 month extension of H Grade post approved.	Homecare	TB	09/01/19	22,340		22,340
OOH Community Nursing & Homecare Review - 6 mths Band 8A	Community Nursing	TB	09/01/19	7,000	4,181	2,819
Long Term Conditions Nurses - 2 x 1wte Band 5 nurses to cover Diabetes, COPD and Hyper-tension for a fixed term of one year.	Community Nursing	SMT	09/01/19	80,500	4,318	76,182
Match Funding for CORRA bid to pilot 7 day Addictions Services	Addictions	IJB	29/01/19	150,000		150,000
Localities Engagement Officer - 1 year	Strategy & Support Services	TB	27/03/19	61,000	9,843	51,157
Young Persons Engagement Officer 18 mths Big Actions 1 & 2	Children's Services	TB	27/03/19	51,100		51,100
Domestic Abuse	Children's and Criminal Justice Services	TB	27/03/19	20,000	0	20,000

Project Title	Service Area	Approved IJB/TB	Date Approved	Agreed Funding	Spend to date	Balance to spend
Signposting/Care Navigation	Health & Community Care	TB	27/03/19	10,400		10,400
CAMHS - Tier 3 service development - £50k per annum for 3 years	Children & Families	IJB	24/06/19	300,000		300,000
Legal Support - Commissioning £85k over 2 years. Approved 1 year initially.	Quality & Development	TB	01/05/19	42,500		42,500
Priority Management & Resilience Training	All	TB	01/05/19	76,500		76,500
SWIFT replacement project - extension of Project Manager contract by one year and employ fixed term Project Assistant for one year.	Quality & Development	TB	26/06/19	95,240		95,240
Homelessness Team Agile Working/new network. Provisions of 9 laptops and 3 desktops for staff at Crown House.	Homelessness Team	TB	26/06/19	5,092		5,092
Temp HR advisor for 18 months to support absence management process and occupational health provision within	Strategy & Support Services	TB	26/06/19	66,000		66,000
IDEAS project - commissioning of dedicated staff to solely complete claims	Quality & Development	TB	26/06/19	5,000		5,000

INVERCLYDE HSCP
INTEGRATED CARE FUND & DELAYED DISCHARGE BUDGET 2018/19
PERIOD 3: 1 April 2019 - 30 June 2019

Integrated Care Fund (ICF)				
By Organisation	Revised Budget	Projected outturn	Variance	YTD Actuals
HSCP Council	866,216	866,216	0	201,897
HSCP Council Third Sector	202,800	202,800	0	23,750
HSCP Health	115,975	115,975	0	10,000
Acute	70,000	70,000	0	
	1,254,991	1,254,991	0	235,647

Delayed Discharge (DD)				
Summary of allocations	Revised Budget	Projected outturn	Variance	YTD Actuals
Council	616,270	616,270	0	121,084
Health	144,300	144,300	0	0
Acute	50,000	50,000	0	0
	810,570	810,570	0	121,084

INVERCLYDE HSCP - CAPITAL BUDGET 2018/19**PERIOD 3: 1 April 2019 - 30 June 2019**

<u>Project Name</u>	<u>Est Total Cost</u> £000	<u>Actual to 31/3/19</u> £000	<u>Approved Budget 2019/20</u> £000	<u>Actual YTD</u> £000	<u>Est 2020/21</u> £000	<u>Est 2021/22</u> £000	<u>Future Years</u> £000
SOCIAL CARE							
Crosshill Children's Home Replacement	1,748	582	995	107	171	0	0
Inverclyde Centre for Independent Living Equipment Store Upgrade	70	0	55	0	15	0	0
Completed on site	43	0	43	0	0	0	0
Social Care Total	1,861	582	1,093	107	186	0	0
HEALTH							
Health Total	0	0	0	0	0	0	0
Grand Total HSCP	1,861	582	1,093	107	186	0	0

EARMARKED RESERVES POSITION STATEMENT

APPENDIX 9

INVERCLYDE HSCP

PERIOD 3: 1 April 2019 - 30 June 2019

<u>Project</u>	<u>Lead Officer/ Responsible Manager</u>	<u>Planned Use By Date</u>	<u>b/f Funding 2018/19 £000</u>	<u>New Funding 2019/20 £000</u>	<u>Total Funding 2019/20 £000</u>	<u>YTD Actual 2019/20 £000</u>	<u>Projected Net Spend 2019/20 £000</u>	<u>Amount to be Earmarked for Future Years £000</u>	<u>Lead Officer Update</u>
Scottish Government Funding			333	0	333	0	333	0	
Mental Health Action 15		31/03/2020	98		98		98	0	In year underspend will be carried forward earmarked for use on this SG initiative
ADP		31/03/2020	235		235		235	0	In year underspend will be carried forward earmarked for use on this SG initiative
Existing Projects/Commitments			2,077	1,711	3,788	425	2,348	1,440	
Self Directed Support	Alan Brown	31/03/2020	43		43		43	0	This supports the continuing promotion of SDS and full spend is projected for 2019/20.
Growth Fund - Loan Default Write Off	Helen Watson	ongoing	25		25		1	24	Loans administered on behalf of DWP by the credit union and the Council has responsibility for paying any unpaid debt. This requires to be kept until all loans are repaid and no debts exist.
Integrated Care Fund	Allen Stevenson	ongoing	11	864	875	239	875	0	The Integrated Care Fund funding has been allocated to a number of projects, including reablement, housing and third sector & community capacity projects. Full spend is expected for 2019/20.
Delayed Discharge	Allen Stevenson	ongoing	428	334	762	112	712	50	Delayed Discharge funding has been allocated to specific projects, including overnight home support and out of hours support.
CJA Preparatory Work	Sharon McAlees	31/03/2020	112		112	14	112	0	Budget is for post to address the changes in Community Justice and shortfall of savings target for 2019/20 and also £25k for Whole Systems Approach.
Swift Replacement Programme	Helen Watson	30/09/2019	27		27	14	27	0	One year post from September 18 to progress replacement client information system for SWIFT plus upgrade costs.
Service Reviews	Alan Best	31/03/2021	240		240	46	236	4	Funding for two posts to carry out service reviews. Posts appointed to in September 2018. Funding for 1 grade L post and 2 grade H/I posts to 31/03/2020, all posts currently filled. Funding for one year for Your Voice and TAG support.
Continuous Care	Sharon McAlees	ongoing	675		675		127	548	To address continuing care legislation. Based on period 3 projections it is assumed that £127k of the EMR will be spent at the end of 19/20.
Rapid Rehousing Transition Plan (RRTP)	Deborah Gillepsie	31/03/2020	30		30			30	Funding to support RRTP development
Dementia Friendly Inverclyde	Deborah Gillepsie	tbc once Strategy finalised	100		100			100	Dementia Friendly Inverclyde. Dementia Strategy reviewed, action plan being revised. iHub 2 year project to develop Care Coordination
Primary Care Support	Allen Stevenson	31/03/2020	241		241		200	41	
Contribution to Partner Capital Projects	Lesley Aird	ongoing	145		145		15	130	Funding to support capital projects linked to HSCP service delivery: Fitzgerald, Wellpark, PGHC & Crosshill
New LD Centre	Allen Stevenson	31/03/2021	0	513	513		0	513	Planned underspend in 2019/20 to support future costs of new LD Centre
Transformation Projects			2,815	0	2,815	65	500	2,315	

Project	Lead Officer/ Responsible Manager	Planned Use By Date	b/f Funding 2018/19 £000	New Funding 2019/20 £000	Total Funding 2019/20 £000	YTD Actual 2019/20 £000	Projected Net Spend 2019/20 £000	Amount to be Earmarked for Future Years £000	Lead Officer Update
Transformation Fund	Louise Long	ongoing	2,505		2,505	65	500	2,005	Funding will be allocated for transformation projects on a bids basis controlled through the Transformation Board. Additional in year funds linked to anticipated Health & Social Care underspends
Mental Health Transformation	Louise Long	ongoing	310		310		0	310	Anticipated that this will be required to fund future budget pressures and additional one off costs linked to MH service redesign. Funding will be allocated from the fund on a bids basis controlled through the Transformation Board
Budget Smoothing			1,046	0	1,046	25	277	769	
Car Adoption, Fostering Residential Budget Smoothing	Sharon McAlees	ongoing	732		732	25	189	543	This reserve is used to smooth the spend on children's residential accommodation, adoption, fostering & kinship costs over the years. Projection assumes £189k of the EMR will be spent at the end of 19/20.
Advice Service Smoothing	Helen Watson	31/03/2020	88		88		88	0	EMR budget from Anti Poverty to assist in achieving £105k savings within Planning & Improvement services.
Residential & Nursing Placements	Allen Stevenson	ongoing	226		226		0	226	This reserve is used to smooth the spend on nursing and residential care beds across the years. At present the projection assumes that the 2019/20 core budget will be spent in full.
TOTAL EARMARKED			6,271	1,711	7,982	515	3,458	4,524	
UN-EARMARKED RESERVES									
General			1,010		1,010		0	1,010	
			1,010	0	1,010	0	0	1,010	
TOTAL IJB RESERVES			7,281	1,711	8,992	515	3,458	5,534	

b/f Funding 7,281
Earmark to be carried forward 5,534
Projected Movement in Reserves (1,747)