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| Meeting of East Renfrewshire Health and Social Care Partnership | Integration Joint Board |
| Held on | 17 February 2016 |
| Agenda Item | 12 |
| Title | Revenue Budget Monitoring Report 2015/16, to 31 December 2015 |
| <p>Summary</p> <p>To provide the Integration Joint Board with financial monitoring information in relation to the revenue budget, as part of the agreed financial governance arrangements.</p> | |
| Presented by | Lesley Bairden, Chief Financial Officer |
| <p>Action Required</p> <p>The Integration Joint Board is asked to note the projected outturn position of the 2015/16 revenue budget.</p> | |
| <p>Implications checklist – check box if applicable and include detail in report</p> <p> <input checked="" type="checkbox"/> Financial <input type="checkbox"/> Policy <input type="checkbox"/> Legal <input type="checkbox"/> Equalities <input type="checkbox"/> Staffing <input type="checkbox"/> Property <input type="checkbox"/> IT <input type="checkbox"/> Efficient Government </p> | |

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EAST RENFREWSHIRE INTEGRATION JOINT BOARD**17 February 2016****Report by Chief Officer****REVENUE BUDGET MONITORING REPORT****PURPOSE OF REPORT**

1. To advise the Integration Joint Board of the projected outturn position of the 2015/16 revenue budget.

RECOMMENDATIONS

2. The Integration Joint Board is asked to note the projected outturn position of the 2015/16 revenue budget.

BACKGROUND

3. This report forms part of the regular reporting cycle for ensuring that the HSCP financial governance arrangements are maintained.

REPORT

4. The consolidated budget for 2015/16, and projected outturn position is reported in Appendix A. This shows a provisional forecast under spend of £0.214m, against a full year budget of £110.711m (0.19%). This is a further projected under spend of £0.125m since last reported which is mainly due to a movement within the Council, particularly in respect of Children & Families, as noted below.
5. The consolidated budget has increased by £0.359m from that previously reported reflecting additional funding in respect of Learning Disability Inpatients Bridging Finance along with other adjustments, as detailed at Appendix E.
6. The Learning Disability Inpatient Services budget includes a £0.290m non recurring budget allocation to allow actions to be undertaken taken bring costs in line with the budget.
7. The projected outturn for the Council includes anticipated future commitments to 31 March 2016 and will continue to be reviewed on a prudent basis throughout the remainder of the financial year. Any movement in the volume and or cost of future anticipated commitments will impact on the projected outturn for the Council. This assumes that the Council will continue to make placements in order meet the assessed care needs of an individual, ensuring that no such individual is left at an unacceptable level of risk.
8. The individual elements of the HSCP position are detailed in Appendices B & C, reporting the position for the Council and NHS respectively.

9. Children & Families – The projected outturn position reports an under spend of £0.294m reflecting the current level of posts pending a restructure of the service. The projection takes full account of the implementation of Kinship Care Allowances, with effect from 1 October 2015, with the projected cost of £0.109m being partially offset by additional Scottish Government funding of £0.062m.
10. Older People –The Council is currently reviewing and re-classifying individual care packages as appropriate across older people, learning disability and physical disability as part of the data migration to Care Finance and as part of the construction individual cost centre budgets which will align operational activity more closely with devolved budgets.
11. The projected outturn position for older people reports an under spend of £0.261m, being largely due to favourable variances within the Council. The projected under spend of £0.339m identified by the Council remains primarily due an under spend in salary costs being offset by agency costs in respect of Bonnyton House in order to maintain statutory staffing ratios. In addition, as previously reported an under recovery of income in respect of home helps, housing support and Bonnyton has been identified being partially offset by additional income from community alarms. The projected overspend in regards the NHS principally relates to community capacity building within the Integrated Care Fund.
12. Learning Disability Community: The projected outturn position reports an over spend of £0.248m reflecting the current trend in demand for learning disability care packages. As highlighted above at paragraph 10 the classification of individual care packages is currently being reviewed.
13. Physical & Sensory Disability: The projected outturn position reports an under spend of £0.117 reflecting the current trend for such packages. As highlighted above at paragraph 10 the classification of individual care packages is currently being reviewed.
14. Addictions: The projected outturn position reports an under spend of £0.090m due to favourable payroll variances.
15. Criminal Justice: The projected outturn position highlights an over spend of £0.045m due to adverse payroll variances.
16. Mental Health: The projected outturn highlights an under spend of £0.284m reflecting favourable payroll variances within the NHS and care packages within the Council.
17. Management & Admin and Health Improvement: The projected outturn position reports an over spend of £0.215m, and is primarily due to a lower level of grant funding than anticipated.
18. Prescribing: The projected outturn position reflects a break even position under the terms of the risk sharing arrangement. As at October 2015 east Renfrewshire was £0.119m overspent (1.4%) with all other partnerships similarly over spent. This is due, in part, to continued price increases such as antibacterial, musculoskeletal and stoma supplies. Whilst a break even position is currently projected, (mainly from utilising non recurring funds), this will be closely monitored.

19. The year to date position is as detailed at Appendix D and reflects an under spend of £3.598m. As previously reported a delay in the processing of invoices has arisen in conjunction with variances in respect of funding carried forward from 2014/5. These variances are regarded as temporary and will not arise at the end of the financial year.

Contribution to Reserves

20. The projected under spend includes a number of existing projects and initiatives where funding will be transferred to the HSCP reserve for 2016/17, as detailed at Appendix F. The final reserves contribution will be confirmed as part of the year end closure process for 2015/16 and will take cognisance of the pre and post IJB live position.
21. There remains a potential recovery of costs incurred by the Council pending conclusion of an ongoing legal case, with any such monies being accounted for and recognised upon receipt.

FINANCE AND EFFICIENCY

22. Savings and efficiencies approved as part of the budget setting exercise have been applied in full to the published annual budget.

CONSULTATION

23. The Chief Financial Officer continues to develop a more detailed reporting to the Board, hence the additional appendix and expansion of the report.

PARTNERSHIP WORKING

24. This revenue budget reflects the consolidation of funding from both East Renfrewshire Council and NHS Greater Glasgow and Clyde. The HSCP operates under the Financial Regulations as approved by the Performance and Audit Committee on 18 December 2015.

IMPLICATIONS

25. The report reflects a projected under spend of £0.214m for the year to 31st March 2016.

CONCLUSIONS

26. Appendix A reports a projected £0.214m under spend for the year to 31st March 2016 on the consolidated revenue budget.

RECOMMENDATIONS

27. The Integration Joint Board is asked to note the projected outturn position of the 2015/16 revenue budget.

REPORT AUTHOR

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2 February 2016

BACKGROUND PAPERS

[Revenue Monitoring Report, IJB, 25 November 2015](#)

KEY WORDS

A report outlining the projected outturn position of the 2015-16 revenue budget.

HSCP, financial monitoring, financial position, financial governance, budgetary control

Consolidated Monitoring Report

Projected Outturn Forecast as at 31 December 2015

| Objective Analysis | Projected Outturn | | | |
|----------------------------------|-----------------------|------------------------------|------------------------------|------------------------------|
| | Full Year Budget £ | Projected Outturn Spend £ | Variance (Over) / Under £ | Variance (Over) / Under % |
| Children & Families | 9,702,000 | 9,408,000 | 294,000 | 3.03% |
| Older Peoples Services | 27,153,000 | 26,892,000 | 261,000 | 0.96% |
| Physical / Sensory Disability | 3,488,000 | 3,411,000 | 77,000 | 2.21% |
| Learning Disability - Community | 9,495,000 | 9,761,000 | (266,000) | (2.80%) |
| Learning Disability - Inpatients | 11,446,000 | 11,446,000 | - | - |
| Mental Health | 4,053,000 | 3,769,000 | 284,000 | 7.01% |
| Addictions / Substance Misuse | 1,535,000 | 1,445,000 | 90,000 | 5.86% |
| Family Health Services | 21,159,000 | 21,159,000 | - | - |
| Prescribing | 14,689,000 | 14,689,000 | - | - |
| Criminal Justice | 19,000 | 64,000 | (45,000) | (236.84%) |
| Planning & Health Improvement | 522,000 | 525,000 | (3,000) | (0.57%) |
| Management & Admin | 7,450,000 | 7,665,000 | (215,000) | (2.89%) |
| Contribution to Reserves | - | 263,000 | (263,000) | - |
| Net Expenditure | 110,711,000 | 110,497,000 | 214,000 | 0.19% |

Note 1; NHS & ERC figures quoted as at 31 December 2015

Note 2; Resource Transfer has been re allocated across client groups at the consolidated level.

Note 3; Any contribution to reserves in regards Council funding , form the projected underspend will be confirmed as part of the 2015/16 year end closure process.

Council Monitoring Report

Projected Outturn Forecast as at 31 December 2015

| Subjective Analysis | Projected Outturn | | | |
|--------------------------|-----------------------|------------------------------|------------------------------|------------------------------|
| | Full Year Budget £ | Projected Outturn Spend £ | Variance (Over) / Under £ | Variance (Over) / Under % |
| Employee Costs | 19,444,000 | 19,300,000 | 144,000 | 0.74% |
| Property Costs | 904,000 | 851,000 | 53,000 | 5.86% |
| Supplies & Services | 2,673,000 | 2,831,000 | (158,000) | (5.91%) |
| Transport Costs | 168,000 | 241,000 | (73,000) | (43.45%) |
| Third Party Payments | 33,417,000 | 32,689,000 | 728,000 | 2.18% |
| Support Services | 2,569,000 | 2,564,000 | 5,000 | 0.19% |
| Income | (12,107,000) | (11,811,000) | (296,000) | 2.44% |
| Contribution to Reserves | - | 190,000 | (190,000) | - |
| Net Expenditure | 47,068,000 | 46,855,000 | 213,000 | 0.45% |

| Objective Analysis | Projected Outturn | | | |
|-------------------------------|-----------------------|------------------------------|------------------------------|------------------------------|
| | Full Year Budget £ | Projected Outturn Spend £ | Variance (Over) / Under £ | Variance (Over) / Under % |
| Children & Families | 8,008,000 | 7,713,000 | 295,000 | 3.68% |
| Older People | 21,651,000 | 21,312,000 | 339,000 | 1.57% |
| Physical / Sensory Disability | 3,263,000 | 3,186,000 | 77,000 | 2.36% |
| Learning Disability | 6,552,000 | 6,801,000 | (249,000) | (3.80%) |
| Mental Health | 1,654,000 | 1,537,000 | 117,000 | 7.07% |
| Addictions / Substance Misuse | 258,000 | 174,000 | 84,000 | 32.56% |
| Criminal Justice | 19,000 | 64,000 | (45,000) | (236.84%) |
| Service Strategy | 207,000 | 222,000 | (15,000) | (7.25%) |
| Support Service & Management | 5,456,000 | 5,656,000 | (200,000) | (3.67%) |
| Contribution to Reserves | - | 190,000 | (190,000) | - |
| Net Expenditure | 47,068,000 | 46,855,000 | 213,000 | 0.45% |

Note 1; ERC Figures quoted as at 31 December 2015

Note 2; Any further contribution to reserves in regards Council funding , from the projected underspend will be confirmed as part of the 2015/16 year end closure process.

NHS Monitoring Report

Projected Outturn Forecast as at 31 December 2015

| Subjective Analysis | Projected Outturn | | | |
|--------------------------|-----------------------|------------------------------|------------------------------|------------------------------|
| | Full Year Budget £ | Projected Outturn Spend £ | Variance (Over) / Under £ | Variance (Over) / Under % |
| Employee Costs | 17,796,000 | 17,550,000 | 246,000 | 1.38% |
| Non-pay Expenditure | 43,975,000 | 44,147,000 | (172,000) | (0.39%) |
| Resource Transfer | 5,511,000 | 5,511,000 | - | - |
| Income | (3,639,000) | (3,639,000) | - | - |
| Contribution to Reserves | - | 73,000 | (73,000) | |
| Net Expenditure | 63,643,000 | 63,642,000 | 1,000 | 0.00% |

| Objective Analysis | Projected Outturn | | | |
|----------------------------------|-----------------------|------------------------------|------------------------------|------------------------------|
| | Full Year Budget £ | Projected Outturn Spend £ | Variance (Over) / Under £ | Variance (Over) / Under % |
| Childrens Services | 1,614,000 | 1,615,000 | (1,000) | (0.50%) |
| Adult Community Services | 3,087,000 | 3,081,000 | 6,000 | 0.19% |
| Learning Disability - Community | 111,000 | 128,000 | (17,000) | (10.71%) |
| Learning Disability - Inpatients | 11,446,000 | 11,446,000 | - | - |
| Mental Health - Community | 1,256,000 | 1,183,000 | 73,000 | 5.81% |
| Mental Health - Older Adults | 616,000 | 522,000 | 94,000 | 15.26% |
| Family Health Services | 21,159,000 | 21,159,000 | - | - |
| Prescribing | 14,689,000 | 14,689,000 | - | - |
| Addictions | 794,000 | 787,000 | 7,000 | 0.88% |
| Planning & Health Improvement | 522,000 | 525,000 | (3,000) | -0.57% |
| Integrated Care Fund | 1,448,000 | 1,533,000 | (85,000) | - |
| Management & Admin | 1,390,000 | 1,390,000 | - | (12.48%) |
| Resource Transfer | 5,511,000 | 5,511,000 | - | - |
| Contribution to Reserves | - | 73,000 | (73,000) | - |
| Net Expenditure | 63,643,000 | 63,642,000 | 1,000 | 0.00% |

Note 1; NHS Figures quoted as at 31 December 2015

Note 2; Resource Transfer is re allocated across client groups at the consolidated level as detailed below;

| | |
|---------------------------|--------------------|
| Service Strategy | £ 189,000 |
| Mental Health - Community | £ 80,000 |
| Older People | £ 966,000 |
| Physical Disability | £ 225,000 |
| Addictions | £ 483,000 |
| Learning Disability | £ 2,833,000 |
| Mental Health | £ 527,000 |
| Support Service & Mgt | £ 208,000 |
| | £ 5,511,000 |

East Renfrewshire HSCP - Revenue Budget Monitoring 2015/16

Appendix D/1

Consolidated Monitoring Report

Year To Date Position as at 31 December 2015

| Objective Analysis | Year To Date | | | |
|----------------------------------|-------------------|-------------------|---------------------------------|------------------------------------|
| | Budget £ | Actual £ | Variance (Over) / Under £ | Variance (Over) / Under % |
| Children & Families | 6,977,000 | 5,822,000 | 1,155,000 | 16.55% |
| Older Peoples Services | 18,212,000 | 17,019,000 | 1,193,000 | 6.55% |
| Physical / Sensory Disability | 2,548,000 | 2,639,000 | (91,000) | (3.57%) |
| Learning Disability - Community | 5,042,000 | 5,993,000 | (951,000) | (18.86%) |
| Learning Disability - Inpatients | 8,242,000 | 8,242,000 | - | - |
| Mental Health | 2,939,000 | 2,655,000 | 284,000 | 9.66% |
| Addictions / Substance Misuse | 1,090,000 | 1,040,000 | 50,000 | 4.59% |
| Family Health Services | 15,695,000 | 15,695,000 | 0 | - |
| Prescribing | 11,157,000 | 11,157,000 | 0 | - |
| Criminal Justice | 155,000 | 51,000 | 104,000 | (393.75%) |
| Planning & Health Improvement | 394,000 | 387,000 | 7,000 | 1.78% |
| Management & Admin | 3,503,000 | 1,656,000 | 1,847,000 | 52.73% |
| Net Expenditure | 75,954,000 | 72,356,000 | 3,598,000 | 4.74% |

Note 1; NHS & ERC figures quoted as at 31 December 2015

| Subjective Analysis | Year To Date | | | |
|------------------------|-------------------|-------------------|------------------------------------|------------------------------------|
| | Budget £ | Actual £ | Variance (Over) / Under £ | Variance (Over) / Under % |
| Employee Costs | 13,696,000 | 13,300,000 | 396,000 | 2.89% |
| Property Costs | 493,000 | 436,000 | 57,000 | 11.56% |
| Supplies & Services | 1,818,000 | 927,000 | 891,000 | 49.01% |
| Transport Costs | 114,000 | 162,000 | (48,000) | (42.11%) |
| Third Party Payments | 20,435,000 | 18,835,000 | 1,600,000 | 7.83% |
| Support Services | 12,000 | 8,000 | 4,000 | 33.33% |
| Income | (7,613,000) | (8,310,000) | 697,000 | (9.16%) |
| Net Expenditure | 28,955,000 | 25,358,000 | 3,597,000 | 12.42% |

| Objective Analysis | Year To Date | | | |
|-------------------------------|-------------------|-------------------|------------------------------------|------------------------------------|
| | Budget £ | Actual £ | Variance (Over) / Under £ | Variance (Over) / Under % |
| Children & Families | 5,718,000 | 4,590,000 | 1,128,000 | 19.73% |
| Older People | 14,256,000 | 13,122,000 | 1,134,000 | 7.95% |
| Physical / Sensory Disability | 2,379,000 | 2,470,000 | (91,000) | (3.83%) |
| Learning Disability | 2,835,000 | 3,776,000 | (941,000) | (33.19%) |
| Mental Health | 1,141,000 | 1,012,000 | 129,000 | 11.31% |
| Addictions / Substance Misuse | 150,000 | 119,000 | 31,000 | 20.67% |
| Criminal Justice | 155,000 | 51,000 | 104,000 | (393.75%) |
| Service Strategy | 559,000 | 453,000 | 106,000 | 18.96% |
| Support Service & Management | 1,762,000 | -235,000 | 1,997,000 | 113.34% |
| Net Expenditure | 28,955,000 | 25,358,000 | 3,597,000 | 12.42% |

Note 1 ;ERC Figures quoted as at 31 December 2015

Note 2 ; As highlighted in the report the year to date variance highlights a delay in the processing of invoice payments in conjunction with funding carried forwards from 2014/15.

| Subjective Analysis | Year to Date | | | |
|------------------------|-------------------|-------------------|---------------------------------|---------------------------------|
| | Budget £ | Actual £ | Variance (Over) / Under £ | Variance (Over) / Under % |
| Employee Costs | 13,425,000 | 13,240,000 | 185,000 | 1.38% |
| Non-pay Expenditure | 32,569,000 | 32,753,000 | (184,000) | (0.82%) |
| Resource Transfer | 4,131,000 | 4,131,000 | - | - |
| Income | (3,126,000) | (3,126,000) | - | - |
| Net Expenditure | 46,999,000 | 46,998,000 | 1,000 | 0.00% |

| Objective Analysis | Year to Date | | | |
|----------------------------------|-------------------|-------------------|---------------------------------|---------------------------------|
| | Budget £ | Actual £ | Variance (Over) / Under £ | Variance (Over) / Under % |
| Childrens Services | 1,199,000 | 1,172,000 | 27,000 | (1.21%) |
| Adult Community Services | 2,433,000 | 2,374,000 | 59,000 | 2.99% |
| Learning Disability - Community | 83,000 | 94,000 | (11,000) | (25.53%) |
| Learning Disability - Inpatients | 8,242,000 | 8,242,000 | - | (0.00%) |
| Mental Health - Community | 942,000 | 866,000 | 76,000 | 8.07% |
| Mental Health - Older Adults | 462,000 | 382,000 | 80,000 | 17.32% |
| Family Health Services | 15,694,000 | 15,694,000 | - | - |
| Prescribing | 11,158,000 | 11,158,000 | - | - |
| Addictions | 578,000 | 559,000 | 19,000 | 3.29% |
| Planning & Health Improvement | 394,000 | 387,000 | 7,000 | 1.78% |
| Change Fund | 799,000 | 799,000 | - | - |
| Management & Admin | 884,000 | 1,140,000 | (256,000) | (30.00%) |
| Resource Transfer | 4,131,000 | 4,131,000 | - | - |
| Net Expenditure | 46,999,000 | 46,998,000 | 1,000 | (0.00%) |

Notes;

NHS Figures quoted as at 31 December 2015

East Renfrewshire HSCP - Revenue Budget Monitoring 2015/16

Appendix E

Consolidated Budget Movement

Year To Date Position as at 31 December 2015

| | Full Year | | | |
|---|--------------------------|---------------------------|---|---|
| | Annual Budget P7 £ | Annual Budget P10 £ | Movement increase/ (reduction) £ | Movement increase/ (reduction) % |
| NHS Greater Glasgow & Clyde | 63,283,920 | 63,643,100 | 359,180 | 0.57% |
| East Renfrewshire Council | 47,068,000 | 47,068,000 | - | 0.00% |
| Net Expenditure | 110,351,920 | 110,711,100 | 359,180 | 0.33% |
| Being ; | | | | |
| <u>NHS Greater Glasgow & Clyde -</u> | | | 359,180 | |
| LD Inpatients Bridging Finance | | | 290,000 | |
| Equality of Care | | | 40,400 | |
| Childrens Services - additional Health Visitor post (part year) | | | 18,000 | |
| FHS Prescribing | | | 71,000 | |
| Contribution to Board Financial Pressures | | | (60,000) | |
| Tfr from Mgt & Admin | | | (120) | |
| Tfr from Addictions | | | (100) | |
| <u>East Renfrewshire Council -</u> | | | - | |
| Net Expenditure | | | 359,180 | |

Note ; ERC & NHS Figures quoted as at 31 December 2015

| Earmarked Reserves | Brought Forward from 2014/15 | New Funds | Total Funds | Projected Spend 2015/16 | Projected Carry Forward to 2016/17 | Comments |
|--------------------------------|------------------------------|----------------|------------------|-------------------------|------------------------------------|---|
| | £ | £ | £ | £ | £ | |
| Prior Year | | | | | | |
| Agile Working | 35,000 | - | 35,000 | 35,000 | - | Eastwood Health & Care Centre, agile working |
| Care Finance | 65,000 | - | 65,000 | 65,000 | - | implmentation costs |
| Care at Home | 35,000 | - | 35,000 | - | 35,000 | Project post - start date tbc |
| Delayed Discharge | 55,000 | 429,000 | 484,000 | 346,000 | 138,000 | project costs / care pacakges |
| Ongoing Projects | 155,000 | - | 155,000 | 15,000 | 140,000 | Care Finance development/care packages/community support |
| Learning Disability Strategy | 25,000 | - | 25,000 | 25,000 | - | Project staff cost within NHS |
| Learning Disability Inpatients | 80,000 | - | 80,000 | - | 80,000 | transitional funding from prior year commitments |
| | | | | | | |
| | | | | | | |
| Current Year | | | | | | |
| Integrating L&D Function | | 70,000 | 70,000 | - | 70,000 | To meet cost of project post for 18 months , current year spend will be dependent on start date |
| Community Capacity Building | | 153,000 | 153,000 | - | 153,000 | To build community capacity and inform future service redesign |
| Child Protection Training | | 40,000 | 40,000 | - | 40,000 | Training programme to support new structure implemented part way through 2015/16. Funding for further Children & Families initiatives (approximately £50k to be confirmed) |
| | | | | | | |
| | | | | | | |
| Total | 450,000 | 692,000 | 1,142,000 | 486,000 | 656,000 | |

Reserves exclude CFCR projects or any balance sheets funds relating solely to timing differences