

Scottish Borders Health & Social Care
Integration Joint Board



Meeting Date: 20 August 2018

Report By	Robert McCulloch-Graham, Chief Officer for Integration
Contact	David Robertson, Chief Financial Officer
Telephone:	01835 825080

**MONITORING OF THE HEALTH AND SOCIAL CARE PARTNERSHIP BUDGET
2018/19 AT 30 JUNE 2018**

Purpose of Report:	The aim of this report is to provide an overview of the monitoring position of the Health and Social Care Partnership Budget at 30 June 2018.
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Recommendations:	<p>The Health & Social Care Integration Joint Board is asked to:</p> <ol style="list-style-type: none"> a) Note the report and the monitoring position on the partnership's 2018/19 revenue budget at 30th June 2018. b) ask the Chief Officer to bring forward a plan to the next meeting of the IJB for delivery of remedial savings to address the forecast Outturn variance.
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Personnel:	N/A
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Carers:	N/A
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Equalities:	There are no equalities impacts arising from the report.
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Financial:	<p>No resourcing implications beyond the financial resources identified within the report.</p> <p>The report has been reviewed by the Chief Officer and approved by NHS Borders' Director of Finance and Scottish Borders Council's Chief Financial Officer for factual accuracy. Both partner organisations' Finance functions have contributed to its development and will work closely with IJB officers in delivering its outcomes.</p>
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Legal:	Supports the delivery of the Strategic Plan and is in compliance with the Public Bodies (Joint Working) (Scotland) Act 2014 and any consequential Regulations, Orders, Directions and Guidance.
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	A Recovery Plan will be presented to the next meeting of the IJB. The remedial actions it contains in order to address financial pressures across health and social care budgets may impact on the ability to deliver the partnership's strategic and commissioning plans
Risk Implications:	To be reviewed in line with agreed risk management strategy. The key risks outlined in the report form part of the draft financial risk register for the partnership.

Background

- 2.1 The report relates to the monitoring position on both the budget supporting all functions delegated to the partnership (the “delegated budget”) and the budget relating to large-hospital functions retained and set aside for the population of the Scottish Borders (the “set-aside budget”).
- 2.2 On the 23rd April 2018, the Integration Joint Board (IJB) considered the proposal to delegate **£148.229m** of resources supporting integrated health and social care functions for the financial year 2018/19, and a proposed budget of **£20.138m** relating to the large hospitals budget set-aside. Within the proposed delegated budget, **£102.390m** related to NHS Borders healthcare functions, **and £45.839m** related to Scottish Borders Council social care functions. The budget was not accepted by the IJB Board due to the inclusion of £5.2m of unidentified savings within the NHS Borders budget proposals. Since the last Board meeting there has been ongoing work to bridge the resources gap, the NHS Board have to agree with the Scottish Government Health and Social Care Department how financial targets will be met in 2018/19. NHS Borders have requested a level of brokerage and award of this funding will be dependent on the NHS Board having in place a plan on how it will return to a recurring balance.

	2018/19
	Budget
	£m
Healthcare Functions - Delegated	102.390
Social Care Functions - Delegated	45.839
Total Delegated	148.229
Healthcare Functions - Set-Aside	20.138
<u>Total</u>	<u>168.367</u>

- 2.3 This report sets out the current monitoring position on both the delegated and set-aside budgets at 30 June 2018, assuming levels of delegation are accepted by the Board, identifying key areas of financial pressure and proposals for their mitigation. The scheme of integration requires NHS Borders and Scottish Borders Council to each fund their share of any overspend arising from the delegated budget at year end. An overspend of £7.059m is forecast for the year with unidentified savings within NHS Borders delegated functions accounting for £4.814m of this forecast overspend.

Overview of Monitoring Position at 30 June 2018

Healthcare Functions

- 3.1 As in 2017/18, delegated healthcare functions are experiencing considerable financial pressure this financial year. Currently an adverse outturn projection of £6.3m is forecast, representing 6.2% of the overall budget.

£4.8 m of this pressure relates to non-delivery of unidentified savings. In addition almost £1m of this pressure is being experienced in Generic Services within which a range of miscellaneous functions such as community hospitals, dental, pharmacy and nursing, prescribing and general medical services and primary staffing and management are managed.

Social Care Functions

- 3.2 Social Care delegated functions are currently projecting an adverse variance of £20k which will be addressed from other Council funds. Demographic pressures across all services are being experienced with an increased number of care packages being delivered, many of a more permanent and complex nature. A comprehensive management action plan to contain costs within delegated budget levels has been agreed and is being led by the IJB Chief Officer.

Of Scottish Borders Council Financial Plan savings of £2.048m, savings to the value of £1.6m are forecast to be delivered permanently, with the remainder forecast to be delivered on a non-recurring basis, with reviews underway to identify permanent solutions for the balance. The 2018/19 direct council allocation from the Social Care Fund of £1.537m has been fully deployed in providing for the Cosla Care Home contract uplift of 3.39% (£402k), the impact of the Carers Act (£322k) with the balance required for paying the Scottish Living Wage of £8.75 per hour to providers of commissioned services. The delegated health and social care budget also assumes the £7.3m provided by Scottish Government via NHS Borders will be fully deployed to support living wage policy delivery and additional care packages as previously approved.

Large Hospital Functions Set-Aside

- 3.3 Due to the funding of agreed cost pressures the budget of £20.1m has been increased to £21.4m. The current projected forecast outturn is £22.1m with the main area of pressure being one to one care, sickness cover and the requirement to open additional beds to deal with the impact of delayed discharges. An action plan to address the current nursing pressure and year end trajectory has been requested.

Risk

- 4.1 A number of risks associated with the reporting of the IJB's monitoring position were reported to the IJB during 2017/18. These risks include the extent of recovery required, the challenge over ensuring its delivery and the assumption of price/demand stability between now and the end of the financial year. Similar risks exist for 2018/19. The main risks in both the Health Care and the Social Care budget continue to be the non-identification and non-delivery of Financial Plan savings, and managing the impact of demand pressures.

- 4.2 Any adverse variance at the end of the financial year will, as per the Partnership's Integration Scheme, be met from managed underspends elsewhere across partner organisations.