

MONITORING OF THE SHADOW INTEGRATED BUDGET 2014/15

Aim

To provide the Shadow Board with a report, by exception, of any significant pressures within the Partnership's Integrated Budget based on the projected outturn as at 28th February 2015.

Background

The total Shadow Revised Integrated Budget stands currently at £133.0m.

Updated guidance on the services to be included in the integrated budget has now been received and this was discussed at the development session held in January. Any changes to the services included in the integrated budget as a result of this updated guidance will be included in the budget from April 2015.

It was agreed that in the shadow years the integrated budget should be on an aligned basis. Therefore any cost pressures remain the responsibility of the partner organisations. The Partnership has agreed that both in 2014/15 and 2015/16 the integrated budget will be considered on an aligned basis.

Key Issues

The revenue monitoring position reported to the Board is based on the projected outturn as at the 28th February 2015. At this point the Partnership is projecting an outturn expenditure position of £133.7m, and a projected overspend position of £677k on the revised budget for the year. This projected year end position has increased by £299k over the previously reported position. The previously reported position included provision for overspends to be offset by savings from elsewhere within Scottish Borders Council services outwith the integrated budget.

The overspend continues to be as reported in NHS of £378k mainly related to overspends on GP prescribing offset by underspends on other budget lines but principally related to the dental budget.

The key element of the increased financial pressure within Older Peoples services is related to a number of factors including a reduction in client contribution income, increased costs of homecare and residential care and additional costs of transport, Bordercare and holiday pay. The reported out turn projection for the physically disability service includes the cost of additional complex care packages since the last report to the Board which has resulted in an increase in the projected out turn.

As part of the remedial actions referred to in previous reports to the Board, further savings have been identified from elsewhere within SBC Adult Services and across the wider People department, enabling a balanced breakeven position to be projected overall within SBC. This is consistent with the report to the Council's Executive committee on 24th February 2015, which detailed a breakeven position for the People department as a whole and where £199k of projected pressures within Adult Services at

the end of January (£299k at the end of February) is offset by corresponding savings in Children and Young People, with the further movement of £100k during February attributable to the reasons outlined above, but again offset by further identified savings.

NHS Borders will manage its element of the projected overspend (£378k) as part of its year end planning, by use of its contingency, slippage on expenditure levels in other areas and a number of control measures that have been put in place to support financial pressures. This includes restrictions on discretionary spend and increased scrutiny and levels of authorisation of non discretionary spend.

The Board will be informed should any further pressures arise and any management action being taken to mitigate the pressure. The next full financial report will be presented to the Shadow Board for the quarter ending March.

Recommendation

It is recommended that the Health & Social Care Integration Joint Board:-

Notes the above reported projected position of £677k pressures at 28th February 2015

Notes that additional funding has been earmarked from elsewhere within NHS and SBC non-integrated budgets enabling a balanced breakeven position to be reported

Notes that Budget Holders/Managers will continue to work to deliver planned savings measures and bring forward actions to mitigate any projected overspends and that NHS Borders will manage the projected overspend on GP prescribing as part of its year end planning and that Scottish Borders Council will continue to deliver its action plan to further reduce the projected Adult Services pressures during March.

Policy/Strategy Implications	In compliance with the Public Bodies (Joint Working) (Scotland) Act 2014 and any consequential Regulations, Orders, Directions and Guidance.
Consultation	Members of the Integration Programme Board have been consulted on the report and the position reported to the Shadow Board. The report has also been reviewed by and approved by relevant Management Teams within both partner organisations.
Risk Assessment	A full risk assessment and risk monitoring process for the Integration Programme is being developed as part of the Integration Programme arrangements.
Compliance with requirements on Equality and Diversity	An equality impact assessment will be undertaken on the arrangements for Joint Integration when agreed.
Resource/Staffing Implications	It is anticipated that the Integration Shadow Board will oversee services which have a budget of over £130m,

	within the existing scope. The budget will change as other functions are brought within the scope of the Integration Shadow Board.
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Approved by

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