

Scottish Borders Health & Social Care
Integration Joint Board



Meeting Date: 28 January 2019

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

Purpose of Report:	The purpose of this report is to provide an update to the IJB on the forecast year end position of the Health and Social Care Partnership (H&SCP) for 2018/19 based on available information to the 30 th November.
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Recommendations:	<p>The Health & Social Care Integration Joint Board is asked to:</p> <p>a) Note the forecast overspend of (£7.55m) for the Partnership for the year to 31 March 2018/19 based on available information</p> <p>b) Note that any expenditure in excess of the delegated budgets in 2018/19 will require to be funded by additional contributions from the partners in line with the approved scheme of integration</p>
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Personnel:	There are no resourcing implications beyond the financial resources identified within the report. Any significant resource impact beyond those identified in the report that may arise during 2018/19 will be reported to the Integration Joint Board.
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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 information in this 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.
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 forecast 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 The forecast position is based on the most recent updates presented to Scottish Borders Council and the Board of NHS Borders. It highlights the key areas of financial pressure at 30 November 2018 and any proposals identified for their mitigation.

Overview of Monitoring and Forecast Position at 30 November 2018

- 3.1 The budgets delegated by the IJB to the H&SCP are forecasting an overspend of (£7.549m) for the year to 31 March 2018. The forecast overspend has increased by (£0.583m) the last reported position in October. A breakdown of the forecast position by service within Function is provided in **Appendix 1**.

Healthcare Functions

- 3.1 The forecast for delegated healthcare functions is unchanged with a reported overspend of (£6.014m). The non delivery of (£4.8m) unidentified savings remains the largest element of the overspend. The Financial Recovery Plan will seek to identify schemes to address this balance going forward. The overspend also reflects forecast pressures within Learning Disabilities in relation to patients transitioning from Children’s Services and within Mental Health in relation to agency costs for medical staff maternity cover. The prescribing forecast is unchanged at (£0.4m) reflecting the most recent actual information and known slippage in the delivery of planned savings. Staffing pressures within the Community Hospitals continue to drive a forecast overspend of (£0.425m) reported in Generic Services. Service leads and the Chief Officer are working to identify in year and recurring actions to address these pressures.

Social Care Functions

- 3.2 The forecast for Social Care delegated functions has moved adversely to an overspend of (£0.166m) in November. The main movements arise in Older Peoples services (£0.810m) where the impact of an increase in homecare packages and the use of agency staff are driving forecast spend up, and an increase in residential care costs (£0.102m) in relation to 2 clients within Learning Disabilities service. Work is underway to identify actions aimed at managing these pressures going forward.

Large Hospital Functions Set-Aside

- 3.3 The Set-Aside functions are forecasting an increased overspend of (£0.423m) to a year end position of (£1.369m) over. Increases in the forecast overspend within A&E services (£0.145m) relates to pressures arising from rota gaps and the cost of supplies, and within Medicine & Long Term Conditions (£0.347m) relating to the use of agency staff to backfill medical staff in the short term are key factors. The underlying pressures relating to patient acuity, high levels of sickness absence and the high number of occupied bed days continue to adversely impact the expected outturn.

Delivering Financial Balance

- 4.1 The Chief Officer and the Chief Finance Officer have undertaken to bring a financial recovery plan to a future IJB meeting which will present potential actions to address the level of overspend going forward. In the past the level of overspends reported by the IJB have been met through additional allocations from the constituent partner organisations. The Health Board have confirmed that the forecast overspend of (£7.383m) relating to Health services is reflected in their year end forecast which remains at (£10.1m) and will be met through Brokerage. In keeping with previous years additional Council funding will be made available to address any overspend reported at the end of the year.

Risk

- 5.1 The risk that brokerage will not be forthcoming has been mitigated through the assurances provided by Scottish Government to NHS Borders.
- 5.2 There is a risk that in year savings delivery may slip further and management of ongoing pressures may not contain spend within the forecast. All budgetholders are required to continue to seek opportunities for in year and recurring savings and to highlight any potential new pressures to enable potential solutions to be identified.
- 5.3 There is a risk that a recovery plan may not identify sufficient actions to bring spend in line with current budget levels. The plan must explore all options across the partnership and produce an integrated plan.