



MONITORING OF THE INTEGRATED JOINT BUDGET 2015/16

Aim

To provide the Integrated Joint Board with a full report, on the Partnership's Integrated Budget based on the actual expenditure outturn as at 30th June 2015.

Background

The total revised Integrated Joint Budget stands currently at £136.6m.

The services contained within this report relate to national guidance issued following the consultation.

It was agreed that 2015/16 will be a shadow year and the integrated budget will be on an aligned basis. Therefore any cost pressures remain the responsibility of the partner organisations.

Outturn

The revenue monitoring position reported to the Board is based on the actual out turn as at the 30th June 2015. As at the end of June the Partnership's expenditure position was £0.03m underspent against budget to date and projecting a year end out turn position of £0.146m overspent against the revised annual budget. The projected year end out turn overspend must be viewed with a degree of caution, as currently it is still relatively early in the financial year, and issues may still emerge which will have an impact on the financial position. This overspend will require to be addressed by the partnership bodies responsible for these services in the shadow year, in line the aligned status of the budget.

Key Issues

Joint Mental Health Service

At June the Mental Health Service are reporting an overspend of £0.083m. This is due to higher than budgeted demand for services within Scottish Borders Council offset by a slight underspend on staffing costs within NHS Borders. The increased demand is due to a greater number of clients accessing services and is expected to continue throughout 2015/16 resulting in a projected outturn position of £0.098m. This will require an action plan to be prepared by the mental health service to manage the overspend. Managers responsible for the delivery of services are not authorised to exceed budgeted activity levels without formal Council Executive approval and demands placed upon budgets by client need require to be reported and funded before any additional commitment of resources beyond approved levels is actioned.

Physical Disability Service

The physical disability service is overspent by £0.109m at the end of June and projected to be £0.229m overspent by the year end. This overspend is mainly attributable to increased need in Community Based Services and will continue during 2015/16. Again action is required to address this issue and the managers of the service are required to identify an action plan to ensure the budget does not exceed approved levels in 2015/16.

Generic Services

Generic Service are £0.164m underspent the end of June and are predicting an almost break even position at year end. The main areas of underspend to June are dental, smoking cessation, primary and community management, and self directed support offset by an overspend in GP Prescribing details of the issues in each area are given below.

The GP prescribing budget is reporting an overspend of £0.077m at the end of June and a year end out turn of £0.3m overspent. This prediction should be viewed with a degree of caution as there is still potential for volatility in global drug prices over which NHS Borders has no control and making accurate predictions difficult. Currently little actual information has been received - one month's price data and two months volume data meaning the projection is based on very limited information.

Dental services are underspent by £0.110m at the end of June and £0.250m underspent at year end after offsetting any agreed efficiencies. This underspend is due to staff vacancies which the service may fill as the year progresses therefore it is not currently expected that this overspend will continue at the current level.

The smoking cessation service is currently underspent and based on last year's outturn this is expected to continue for the remainder of the year and is due to reduced up take of this service.

The Primary and Community Management service current has vacant posts within its agreed establishment. These posts are part of a wider management review and as the review is concluded the shape and financial outlook for this area will be confirmed.

The Integrated Care fund £2.130m is currently included under generic service in the other line. To date potential project expenditure of £479k has been identified associated with five projects and formal approval is required before expenditure is committed against this fund. Further change projects will be identified as the year progresses and it has been assumed that the Fund will be fully spent by the financial year end.

The SB Carers service is £0.11m overspent at the end of June and reporting a breakeven expectation by the end of the financial year. As yet unmet efficiency targets make up the main element of the overspend to June and the Locality Teams have now put plans in place to achieve the required level of saving by the year end thus improving the reported out turn position.

It is currently early in the financial year and both partner organisations are working to ensure that the budget outturn is delivered in line with approved resources. Budgets continue to be aligned budgets in 2015/16 and any year end out turn deficit will require to be offset by savings from elsewhere within the respective partner's budgets.

Summary

The revenue monitoring position set out in this report is based on the actual income and expenditure to the 30th June 2015. The Partnership is reporting an out turn position of £0.03m underspent to the end of June and is projecting a year end adverse out turn of £0.146m prior to management action being identified. If this out turn position continues to the financial year end, the deficit will be met by the responsible organisation from funds outwith the partnership budget.

Recommendation

It is recommended that the Health & Social Care Integration Joint Board **note** the budget monitoring reports at Appendix 1.

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.

Approved by

Name	Designation	Name	Designation
David Robertson	Chief Financial Officer	Carol Gillie	Director of Finance

Author(s)

Name	Designation	Name	Designation
Paul McMenamin	Business Partner	Janice Cockburn	Deputy Director of Finance