

Scottish Borders Health & Social Care
Integration Joint Board



Meeting Date: 17 February 2020

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**MONITORING AND FORECAST OF THE HEALTH AND SOCIAL CARE PARTNERSHIP
BUDGET 2019/20 AT 31 DECEMBER 2019**

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| Purpose of Report: | The purpose of this report is to provide the IJB with an update on the forecast year end position of the Health and Social Care Partnership (H&SCP) for 2019/20 based on available information to the 31 st December 2019. |
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| Recommendations: | <p>The Health & Social Care Integration Joint Board is asked to:</p> <ul style="list-style-type: none"> a) Acknowledge the forecast overspend of (£2.824m) for the Partnership for the year to 31 March 2020 based on available information b) Note the forecast position includes the additional support of £0.828m allocated to the Council H&SC services in December by the IJB. c) Note that any expenditure in excess of the delegated budgets in 2019/20 will require to be funded by additional contributions from the partners in line with the approved scheme of integration |
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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 report draws on information provided in finance reports</p> |
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| | presented to NHS Borders and Scottish Borders Council. Both partner organisations' Finance functions have contributed to its development and will work closely with IJB officers in delivering its outcomes. |
| 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 available information presented to Scottish Borders Council and the Board of NHS Borders. It highlights the key areas of financial pressure at 31 December 2019 and any actions identified to manage the position to the year end.

Overview of Monitoring and Forecast Position at 31 December 2019

- 3.1 The forecast overspend has risen from (£1.814m) in October to (£2.824m) in December. A high level summary of the movement and the key pressures is provided below. A breakdown of the forecast position by service within Delegated Function is provided in **Appendix 1**.

Healthcare Functions

- 3.1 The delegated Healthcare functions are forecasting an overspend of (£0.780m). The adverse movement relates to the following factors. Drugs savings of circa £550k which were previously reported against Prescribing have now been confirmed as relating to Acute services. Increased staffing pressures within AHP services have resulted in the temporary use of agency staff to ensure continuity of care. The Community Hospitals have been experiencing high levels of sickness absence which have increased the forecast overspend by circa (£100k). The overall forecast also reflects a significant overspend within LD services relating to Out of Area placements. All of these pressures are partially offset by vacancies primarily within Dental services. In addition savings delivered by Mental Health services have now been reported against that line on the report.

Social Care Functions

- 3.2 The delegated Social Care functions are forecasting an overspend of (£0.869m) for the year to 31 March 2020. This position reflects all the actions agreed at the December IJB.

- 3.3 The main areas of forecast overspend are Older People and Generic services. Older People are forecasting an overspend of (£562k) mainly in relation to undelivered savings totalling (£408k). The remaining gap includes the difference between the requested additional funding of £925k and the funding the IJB was able to allocate of £824k. The overspend of (£270k) forecast within Generic Services relates primarily to a client transitioning to Adult services who has been placed in a secure unit under an indefinite Sheriff's order.
- 3.4 Progress in delivering the mitigating actions set out within the recovery plan has been difficult to monitor to date. A template has been agreed with the services and will be completed to provide more accurate updates for future reports. Evidence to date indicates implementing the mitigating actions within Older People's services has delivered £36k against towards the £307k target and within Learning Disabilities £20k has been delivered against the £165k target.

Large Hospital Functions Set-Aside

- 3.5 The forecast overspend within Set-Aside functions is (£1,175k). Undelivered savings of (£330k) are a key element of the overspend. The use of unfunded surge beds earlier in the financial year has left an underlying pressure and the requirement to use bank and agency staff to cover Nursing and Medical staff vacancies and sickness absence across all the Set Aside services is driving the ongoing overspend.

Savings Summary

- 4.1 The Partnership continues to report a shortfall in the current year and in the recurring delivery of savings. The correction of miscoded prescribing savings has impacted adversely on the updated position. The table below summarises the targets set for 2019/20 and the level of delivery forecast by delegated function.

| MONTHLY REVENUE SAVINGS MANAGEMENT REPORT | | | | | | |
|---|--------------------------|-------------------------|----------------------------|----------------------------|----------------------------------|-----------------------------|
| Summary | 2019/20 | At end of Month: | | December | | |
| | Original Target £'000 | Revised Target £'000 | Delivered To Date £'000 | Forecast Delivery £'000 | Forecast Under Delivery £'000 | Recurring Delivery £'000 |
| Social Care | (2,613) | (1,301) | 781 | 109 | (411) | 781 |
| Healthcare | (6,410) | (2,753) | 1,201 | 148 | (1,404) | 1,859 |
| Large Hospital Functions Set-Aside | (1,460) | (627) | 227 | 70 | (330) | 490 |
| Total | (10,483) | (4,681) | 2,209 | 327 | (2,145) | 3,130 |

- 4.2 The Council has provided some non recurring support to the undelivered savings within the H&SC partnership resulting in a forecast shortfall in delivery of (£411k). The table shows that Health services have struggled to deliver the savings required, projecting a shortfall in delivery of (£1,734k).
- 4.3 The forecast delivery column identifies a significant number and value of savings schemes that are still to be delivered in the final quarter of the year. Any slippage or

underdelivery of these forecast savings will require alternative schemes to be identified and delivered in their place. The H&SC Leadership group will now bring a greater focus to the identification and delivery of recurring savings as part of its monthly meetings.

- 4.4 The recurring impact of undelivered savings will be a pressure for the Council services in 2020/21. Similarly, the recurrency of undelivered savings within Health will contribute to the savings targets that will be confirmed for 2020/21.

Delivering Financial Balance

- 5.1 The forecast overspend of (£2.824m) comprises (£1.955m) within Health and (£0.868m) within Council commissioned services. The Health Board continues to report a balanced year end position overall which confirms that at this point in time an additional allocation can be made to cover the balance within Health services at the year end.
- 5.2 The forecast overspend within the Council services requires ongoing focus on the recovery actions previously identified. Should these actions fail to bring the position back into balance the Council will be asked to provide an additional allocation to cover any overspend within their H&SC services at year end.

Risk

- 6.1 There is a risk that the recovery actions put in place across Older People's and Learning Disabilities services within SBC do not result in the reduction in spend required. Finance are working closely with the services to ensure the impact of actions is being properly recorded.
- 6.2 There a further risk that additional pressures arise over the remaining months which cannot be managed in year and the forecast position deteriorates. Ongoing monitoring reports to the IJB will ensure the Board is aware of any change in the forecast position and regular updates to operational leads will ensure any necessary proposed action can be taken as early as possible.
- 6.4 A significant risk exists in relation to the forecast delivery of existing and planned savings schemes. Slippage or non delivery will impact on the in year and recurring financial position of the H&SCP. Progress is monitored through the Turnaround process within NHB and the weekly service meetings within SBC.