



MONITORING OF THE SHADOW INTEGRATED BUDGET 2015/16

Aim

- 1.1 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 31st October 2015.

Background

- 2.1 The total Shadow Revised Integrated Budget stands currently at £136.741m.
- 2.2 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.

Key Issues

- 3.1 The revenue monitoring position reported to the Board is based on the projected outturn as at the 31st October 2015. At this point the Partnership is reporting an outturn expenditure position of £137.632m. This position is giving a projected year end position overspend of £891k. This overspend is mainly within the Older Peoples Services and Generic Services.
- 3.2 The overspend in Generic Services (£710k) is made up of a projected overspend of £1m linked to GP Prescribing offset by non recurring underspends in dental, health promotion and smoking cessation services. In setting the budget for 2015/16 NHS Borders uplifted the prescribing budget by £1m to cover the overspending incurred during 2014/15 and by a further 2% for increases in the number of prescriptions and any known drug/ price changes. Currently increases in the number of prescriptions are in line with planned levels. As stated in previous years NHS Borders has little influence over the price of drugs which remain volatile due to short supply in certain areas.
- 3.3 As 2015/16 continues to be a shadow year and budgets are aligned any year end overspends will be the responsibility of the host organisation. NHS Borders is managing the pressure on the prescribing budget through use of non recurring underspends in services where possible, organisation wide control measures and the use of it contingency.
- 3.4 Within Older People's services and Physical Disability service a projected year end pressure of £430k has become evident at month 7. A range of underlying additional pressures in excess of £500k has been mitigated through department action plans including vacancy freeze, care package review and transfers from Reserves.

However despite these actions the older peoples and physical disability service is still projecting an out turn overspend of £430k. Services are experiencing considerable continuing pressure in a number of areas. These include increased use of residential and flex beds, a reduction in short stay contributions and the increased costs of the TUPE of homecare staff from CIC and Allied Healthcare to SB Cares.

- 3.5 Further work is being undertaken to develop action plans to address some of this pressure including further vacancy management and an increase in contribution from SB Cares.
- 3.6 SBC continues to work to find solutions to the remaining pressure and these include acceleration of planned savings from reviewing criteria models for packages of care, review of non critical vacancies and reduction in care packages.
- 3.7 SBC is urgently reviewing its position in the current year in order to bring forward savings to deliver a balanced outturn position, and departments are now also reviewing the 2016/17 budget. A budget rebasing exercise will be undertaken between now and 31 March 2106 to ensure realistic budget estimates in each adult service.
- 3.8 The Board will be informed should any further pressures arise and of any management action being taken to mitigate the pressure.

Recommendation

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

Notes the above reported projected position of overspent by £891k at 31st October 2015 and notes that the both organisation are working to address the financial pressures and put in place actions to ensure financial targets are delivered.

Notes that Budget Holders/Managers will continue to work to deliver planned savings and deliver a balanced budget. Where this is not possible managers will work to bring forward actions to mitigate any projected overspends.

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

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