



CÙRAM IS SLÀINTE NAN EILEAN SIAR

WESTERN ISLES HEALTH AND SOCIAL CARE PARTNERSHIP

INTEGRATION JOINT BOARD AUDIT COMMITTEE

Meeting: Integration Joint Board Audit Committee 06/02/2018

Agenda Item: 6.6

Purpose: For Noting and Assurance

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Title: Chief Finance Officer's Assurance Statement – Month 8

PURPOSE OF REPORT

- To note and be assured of the financial position of the Integrated Joint Board at Month 8

COMPETENCE

- The Chief Finance Officer of the Integrated Joint Board (IJB) is required to produce regular in-year reporting and forecasting for scrutiny and review by the IJB .

SUMMARY

- Key Figures and Comments

Overall Position at Month 8	Year to Date			Full Year Projection			Month 7 Variance	Change
	Budget	Actual	Variance under/ (over)	Budget	Actual	Variance under/ (over)		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Revenue								
NHS Partner	23,938	24,518	(580)	38,840	39,831	(991)	(923)	(68)
Comhairle	12,480	13,258	(778)	19,357	18,381	976	1,155	(179)
Surplus/ (Deficit)	36,418	37,776	(1,358)	58,197	58,212	(15)	232	(247)

Variations

- This report reflects the spend to date and explains any variances which have arisen in the first eight months of the year which are likely to have an impact on our year end outturn.

3.2 At 30 November 2017 the Integrated Joint Board is showing a projected overspend of **£15k**, a negative movement of **£247k** from last month. The main areas of underspend and overspend are as follows:

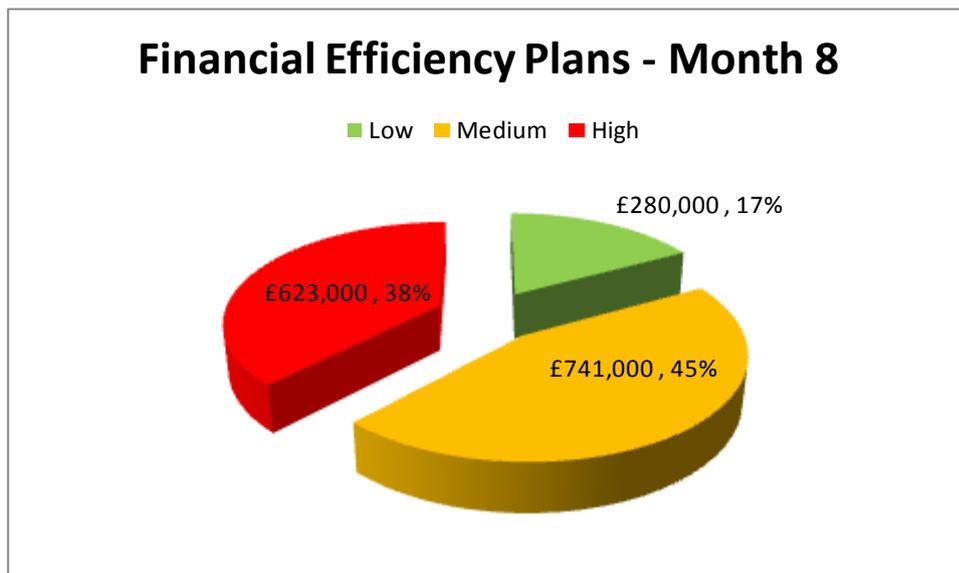
- There is an in year overspend of **£119k** on Community Hospital Nursing and a projected overspend of **£165k (£177k month 7)**. From 1 November strict controls have been put in place to actively reduce bank and overtime use where possible. There has been a small decrease in bank usage to date which has reduced the projected overspend slightly.
- The acute nursing within the set aside is **£85k** overspent in year and a **£109k** projected overspend (month 7 **£157k**). The projected overspend in the acute wards is mostly due to high bed occupancy in the medical wards and has resulted in the use of bank staff. Recovery plans have been drawn up to mitigate the risk of further overspend and to try and reduce the present overspend and there has been a reduction in projected out-turn due to a decrease in bank use.
- There is an in year overspend on adult mental health placements of **£202k** and a projected overspend of **£391k (£364k month 7)**. This is due to continuing high cost placements at a secure unit and increase placements at NHS units. There is a corresponding underspend in adult care and support as the funding for one of the placements is within the CnES partner budget. The projection assumes the placements will remain for the full year plus notice of a further mental health placement in November has been included in the projected figures.
- Out of Hours is overspent **£38k** in year and is projected to overspend by **£61k** due to additional costs relating to forensic services, childrens on call doctor and A&E doctor.
- Homecare continues to underspend (though there is a reduction in underspend due to fluctuating activity and appointments to vacancies) and is projected to underspend by £221k (month 7 £279k) at the year end. This is due to in part to vacancies and lower mileage within the homecare service and savings associated with timing of implementing contracted workforce re-design and reablement teams.
- There is a projected underspend against residential income of £353k. An exercise has been undertaken to analyse expected income from residential care both in year and amounts still owing from previous years. The underspend is due to increased income expected from existing and backlog residential care assessments and is partially offset by greater than budgeted staffing.
- There is a projected underspend of £220k (month 7 £336k) on adult care and support. This is due to new complex and transition packages not materialising at

budgeted costs or not yet commenced (see adult mental health placements above).

- There is a projected underspend of £156k on assessment and care services due in part to a higher level of scrutiny on the assessment criteria for direct payments and vacancies within the department.

Efficiency Savings

- 3.3 The Integrated Joint Board's cash efficiency target is £1,643k, this is the IJB required efficiency savings including the Comhairle's workforce planning savings.
- 3.4 It is estimated that the IJB has already achieved savings of £870k, against the Financial Efficiency Plan (FEP) of £1,643k and at month 8 the Board is forecasting to achieve £1,451k of these savings. At month 8 £192k of these savings are forecast not to achieve and in total there are £623k of high risk savings. The risk rating of the plan at month 8 is summarised below and detailed at item 11.



- 3.5 Officers will be looking at other possible savings to compensate for saving that are unachievable and will be looking to mitigate the risk of further savings not achieving.

Forecast Out turn

- 3.6 The Board at month 8 is forecasting a **£15k** overspend at year end. Work is underway to try and mitigate the overspend on the NHS side of the IJB but it is unlikely the overspend will be mitigated in full. If the Board remains in overspend than this could be contained within IJB reserves.
- 3.7 NHS Boards across Britain are seeing exceptional high levels of winter pressures resulting from winter viruses and flu. This has been replicated within NHS Western Isles with the medical wards opening contingency beds and A&E seeing the highest level of attendees for a number of years. There may be a risk of increased costs to

service contingency beds and a risk of increased prescribing. The effect of the pressure will not feed into the IJB until month 10 and is therefore not within the outturn figures for month 8.

