



CÙRAM IS SLÀINTE NAN EILEAN SIAR

WESTERN ISLES HEALTH AND SOCIAL CARE PARTNERSHIP

Integrated Joint Board - Financial monitoring report for the 6 months to 30th September 2019

Introduction

The financial monitoring report provides an overview of the Integrated Joint Board's financial position at the end of September 2019. It contains the following sections:

1. Key Figures and Comments
2. Income and Expenditure
3. Chief Officer's Administration and Management budgets
4. Head of Locality Services budgets
5. Head of Partnership Services budgets
6. Head of Dental Services budgets
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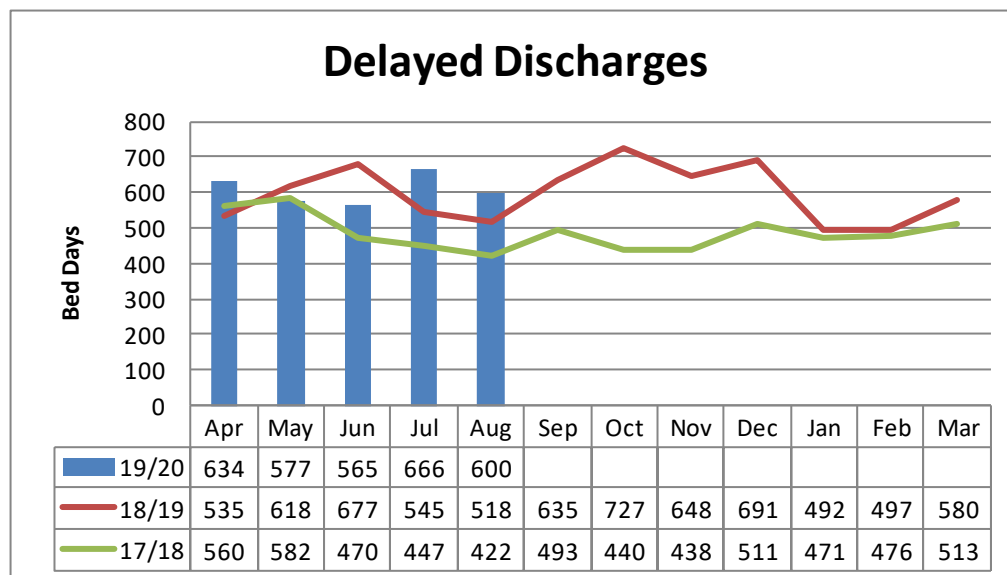
1. Key Figures and Comments

	Year To Date Month 6			Full Year Projection		
	Budget	Actual	Variance	Budget	Projection	Variance
	Under/(over)			Under/(over)		
	£'000	£'000	£'000	£'000	£'000	£'000
NHS	20,312	20,854	(542)	41,353	42,265	(912)
CnES	9,730	11,186	(1,456)	19,451	19,594	(143)
Transfer from budgeted reserves	-	-	-	-	(582)	582
Transfer from general reserves	-	-	-	-	(473)	473
	30,042	32,040	(1,998)	60,804	60,804	0

Variations

- 1.1 This report reflects the spend to date and explains any variances which have arisen in the first 6 months of the year which are likely to have an impact on our year end outturn.
- 1.2 At 30th September 2019 the Board is showing an overspend of **£1,998k** and a projected year end break-even position once budgeted reserves and other general reserves have been applied. The main areas of variation are as follows:
- A review of Homecare at month has resulted in a worsening year end position as agency staff are brought in to fill vacancies and ensure continuity of service. Financially the review means that Homecare are showing a small underspend at year-end compared to previous months and years where sizable underspends were forecast. The projection assumes that agency staff will continue.
 - Comhairle Residential Care has a projected underspend of **£227k**. This relates to vacancies across the service. The 2019/20 budget included increased budget for staffing to meet Care Commission requirements. This was met from anticipated increased income. The staffing has not been fully implemented and the related savings applied to the financial efficiency plan target required to balance the 2019/20 budget. At present income has been assumed to be on target.
 - Adult and Support Services are projecting to be underspend by **£180k** due to vacancies within some of the care units off set by some agency use.
 - The medical consultant and specialised doctor budgets are overspent in year **£305k** and are projected to be overspent by **£533k** due to vacancies having to be covered by agency locums. Early identification of this pressure has enabled the senior executive team to look at remedial action where possible but recruitment to the specialised doctors is proving to be very difficult.
 - The Board is projecting an overspend of **£244k** on adult off island mental health placements despite increasing the budget for 2019/20. The projected outturn also assumes the discharge of one long term patient by October 2019. Indications for the next few months is there are 2 more mental health patients being taken into the system but length of stay details are not yet known but could increase the overspend.

- The acute nursing budget is showing an in year overspend of **£165k** and a projected overspend of **£208k**. There is high use of bank in the Medical Wards to cover both sickness and special leave and to meet clinical demand and delayed discharges. The Chart below shows the in year reported delayed discharges (month 6 is not yet available).



Vacancies and workforce demographics

- 1.3 The overall population within the Western Isles is expected to drop from the midpoint estimate in 2017 of 26,950 to 24,698 by 2027 and a further predicted decrease to 23,855 by 2037. By 2027 the elderly population (65+) is expected to rise by 44% and the 20-64 age population set to decrease by 17%. This decrease in workforce population has already starting to bite within the total Health and Social Care Partnership considerably.
- 1.4 The IJB has started monitoring vacancies and the aging demographics of our workforce and the effect it will have on the ability to provide services as shown in table below (month 6 figures not available yet).

Appendix 1

Establishment		Month 5 Service Area	Vac. WTE	Vac. Head	Head Estab. Vacs.	WTE Over 50+ %	RAG
WTE	Head						
9.00	9.00	Medical Staffing	4.00	4.00	44.4%	20.0%	H
60.46	77.00	Allied Health Professionals	2.61	4.00	5.2%	37.7%	M
58.60	71.00	Dental	2.80	3.00	4.2%	33.7%	M
105.83	135.00	Hospital (Acute) Nursing	9.15	14.00	10.4%	43.7%	M
44.33	53.00	Community Hospital Nursing	3.94	6.00	11.3%	52.8%	H
90.63	116.00	Community Nursing	6.20	8.00	6.9%	47.1%	M
54.11	63.00	Mental Health Nursing	15.90	20.00	31.7%	53.8%	M
17.65	26.00	Clinical Admin	0.60	1.00	3.8%	56.2%	L
88.16	115.00	Adult Services	8.03	12.00	10.4%	43.0%	M
170.98	240.00	Residential Services	22.66	34.00	14.2%	63.6%	H
152.53	218.00	Home Care & Reablement	15.24	29.00	13.3%	53.3%	H
11.45	13.00	Criminal Justice	1.85	3.00	23.1%	20.8%	L
34.16	39.00	Strategic Commissioning & PS	3.50	4.00	10.3%	39.8%	M
8.26	9.00	Management and Admin	2.00	2.00	22.2%	16.0%	L
906.15	1,184	Total	98.47	144.00	12.2%	48.3%	

- 1.5 In summary, vacancies across the IJB stand at month 5 at 144 posts, 48.3% of staff are over 50 and 12.5% of staff are over 60. A 10 year retirement forecast shows that there is likely to be 27% of staff turnover due to retirement, with community nursing, residential care and homecare being most affected.

Efficiency Savings

- 1.6 The Integrated Joint Board's cash efficiency target is £1,815k, this is the IJB required efficiency savings.
- 1.7 It is estimated that the IJB has already achieved savings of £858k, against the Financial Efficiency Plan (FEP) of £1,815 and at month 6 the Board is forecasting to achieve £1,769k of these savings. Details of the FEP are at paragraph 13.

Forecast Out turn

- 1.8 The Board at month 6 is forecasting a break-even position at year end after all of the budgeted reserves have been allocated and some of the general reserves have been allocated. At month 6 there is only £146k left of general reserves unallocated.

2. Income and Expenditure Summary

Sections 2-9 of this report provide further detail on the operational position

Income & Expenditure at Month 6	Year to Date			Full Year Projection		
	Budget	Actual	Variance under/ (over)	Budget	Actual	Variance under/ (over)
	£'000	£'000	£'000	£'000	£'000	£'000
Expenditure						
Chief Officer - Management	200	775	(575)	185	791	(605)
Head of Locality Services	9,687	9,904	(218)	19,366	18,927	439
Head of Partnership Services	5,889	6,438	(549)	12,759	12,757	2
Head of Dental Services	1,536	1,509	27	2,901	2,930	(29)
Head of Mental Health Services	1,488	1,458	30	2,978	2,885	93
Associate Medical Director	7,721	7,814	(93)	15,742	15,793	(51)
Alcohol and Drugs Partnership	249	292	(43)	575	575	0
Acute Set Aside	3,273	3,850	(577)	6,298	7,201	(903)
Reserves - General	0	0	0	0	(1,055)	1,055
Total Net Cost	30,042	32,040	(1,998)	60,804	60,804	0

- 2.1 The above table shows the IJB's overall spending position at the end of Month 6 analysed by Heads of Service. Subsequent sections give more detail on each of the lines shown above.

3. Chief Officer Administration and Management

Chief Officer - Management at Month 6	Year to Date			Full Year Projection		
	Budget	Actual	Variance under/ (over)	Budget	Actual	Variance under/ (over)
	£'000	£'000	£'000	£'000	£'000	£'000
Community Management	248	216	32	305	311	(6)
Community Admin	59	46	13	94	86	8
CnES Management and Admin	(261)	360	(621)	(521)	86	(607)
Housing Services	154	153	1	308	308	0
Surplus/ (Deficit)	200	775	(575)	185	791	(605)

- 3.1 The overspend against CnES Management and Admin is due to the non-drawn down of budgeted reserves within the Comhairle partners budget. These reserves will however be required for the IJB to break-even as a whole.

4. Head of Locality Services

Head of Locality Services at Month 6	Year to Date			Full Year Projection		
	Budget	Actual	Variance under/ (over)	Budget	Actual	Variance under/ (over)
	£'000	£'000	£'000	£'000	£'000	£'000
Community Nursing	1,942	1,826	116	3,883	3,786	97
Community Hospitals	1,136	1,175	(39)	2,272	2,372	(100)
CnES Residential Care	2,208	2,419	(211)	4,414	4,186	227
Adult Care and Support Services	1,582	1,694	(112)	3,162	2,982	180
CnES Home Care	2,757	2,734	23	5,513	5,478	34
Adult Care Transport	61	56	5	123	123	0
Community Care	0	0	0	0	0	0
Surplus/ (Deficit)	9,687	9,904	(218)	19,366	18,927	439

- 4.1 A review of Homecare at month has resulted in a worsening year end position as agency staff are brought in to fill vacancies and ensure continuity of service. The financial results mean that Homecare are showing a small underspend at year-end compared to previous months and years where sizable underspends were forecast.
- 4.2 Comhairle Residential Care has a projected underspend of **£227k**. This relates to vacancies across the service. The 2019/20 budget included increased budget for staffing to meet Care Commission requirements. This was met from anticipated increased income. The staffing has not been fully implemented and the related savings applied to the financial efficiency plan target required to balance the 2019/20 budget. At present income has been assumed to be on target
- 4.3 Adult and Support Services are projecting to be underspend by **£180k** due to vacancies within some of the care units off set by some agency use.
- 4.4 Community Hospital are projecting an overspend of **£100k** due in part to high vacancies and sickness resulting in the need for overtime and agency nurses.

Head of Partnership Services

Head of Partnership Services at Month 6	Year to Date			Full Year Projection		
	Budget	Actual	Variance under/ (over)	Budget	Actual	Variance under/ (over)
	£'000	£'000	£'000	£'000	£'000	£'000
Podiatry	260	241	19	520	510	10
Dietetics	147	144	3	326	321	5
Occupational Therapy	343	369	(26)	696	682	14
Physiotherapy	491	461	30	983	969	14
Community Care	946	980	(34)	1,893	1,957	(64)
Integration Funds	473	473	0	1,887	1,887	0
Criminal Justice	122	107	15	244	182	62
Assessment and Care Services	635	614	21	1,211	1,126	85
Commissioning and Partners	1,661	2,297	(636)	3,379	3,466	(86)
Adult Mainland Placements	810	752	59	1,620	1,658	(38)
Surplus/ (Deficit)	5,889	6,438	(549)	12,759	12,757	2

5.1 The above table shows the spending position on the Head of Partnership's budgets. There is a **£549k** in year overspend (due to the reversal of year end not yet matching invoices raised) and a **£2k** projected underspend. There are no major variances at year end.

5.2 The projected overspend on commissioning and partners of **£86k** is due to an increase in spot purchase payments

6. Head of Dental Services

Head of Dental Services at Month 6	Year to Date			Full Year Projection		
	Budget	Actual	Variance under/ (over)	Budget	Actual	Variance under/ (over)
	£'000	£'000	£'000	£'000	£'000	£'000
Community Dental inc. Oral Health	287	279	8	247	248	(1)
General Dental Services	1,249	1,230	19	2,654	2,682	(28)
Surplus/ (Deficit)	1,536	1,509	27	2,901	2,930	(29)

6.1 The above table shows the spending position on the Head of Dental services budgets. The yearend position is showing a small overspend of **£29k**.

7. Head of Mental Health Services

Head of Mental Health Services at Month 6	Year to Date			Full Year Projection		
	Budget	Actual	Variance under/ (over)	Budget	Actual	Variance under/ (over)
	£'000	£'000	£'000	£'000	£'000	£'000
Mental Health Management	222	297	(75)	443	454	(11)
Mental Health Consultants	226	296	(70)	452	581	(129)
Mental Health Nursing	1,040	865	175	2,083	1,850	233
Surplus/ (Deficit)	1,488	1,458	30	2,978	2,885	93

- 7.1 The above table shows the spending position on the Head of Mental Health budgets.
- 7.2 There is a projected overspend of **£129k** relating to the employment of a high cost psychiatrist working a one in two rota. These costs could increase in the substantive post is not filled shortly.
- 7.3 A review of the costs in year of the mental health redesign has been undertaken to ascertain the level of non recurring underspends due to delays in filling vacant posts, this has been done and the overall Mental Health Nursing budget is forecasting to be underspent by **£233k** by year end. The level of vacancies will be reviewed on a monthly basis.

8. Associate Medical Director

Associate Medical Director at Month 6	Year to Date			Full Year Projection		
	Budget	Actual	Variance under/ (over)	Budget	Actual	Variance under/ (over)
	£'000	£'000	£'000	£'000	£'000	£'000
Community Medical	125	170	(45)	250	297	(47)
GMS	3,273	3,362	(89)	6,958	6,958	0
GPS - Prescribing	2,864	2,751	113	5,616	5,615	1
FHS	992	1,013	(21)	1,984	1,984	0
Out of Hours	467	518	(51)	934	939	(5)
Surplus/ (Deficit)	7,721	7,814	(93)	15,742	15,793	(51)

- 8.1 The above table shows the spending position on the Associate Medical Director budget. The overspend in Community Medical relates to a one off payment relating to a back-dated payment to a GP practise not previously paid.

9. Alcohol and Drugs Partnership

Alcohol & Drugs Partnership at Month 6	Year to Date			Full Year Projection		
	Budget	Actual	Variance under/ (over)	Budget	Actual	Variance under/ (over)
	£'000	£'000	£'000	£'000	£'000	£'000
Alcohol and Drugs Partnership	249	292	(43)	575	575	0
Surplus/ (Deficit)	249	292	(43)	575	575	0

9.1 The above table shows the spending position on the Alcohol and Drugs Partnership budget. There are no major variances projected at year end.

10. NHS Set Aside

Set Aside at Month 6	Year to Date			Full Year Projection		
	Budget	Actual	Variance under/ (over)	Budget	Actual	Variance under/ (over)
	£'000	£'000	£'000	£'000	£'000	£'000
Acute Nursing	1,902	2,067	(165)	3,554	3,762	(208)
SLA - General Medicine	294	294	0	588	588	0
General Medical Consultants	536	841	(305)	1,073	1,606	(533)
Pharmacy	217	177	40	435	353	82
ECR - Adult Mental Health	324	471	(147)	648	892	(244)
Surplus/ (Deficit)	3,273	3,850	(577)	6,298	7,201	(903)

10.1 The above table shows the spending position on the NHS Set Aside budget. The set aside budget is showing an in year overspend of **£577k** and a projected overspend of **£903k**.

10.2 The set aside budget includes those areas not managed directly by the IJB but the budget falls under the remit of the IJB. The Acute Nursing includes the medical and rehabilitation wards together with A&E. The pharmacy budget relates to the drugs prescribed on wards or community areas within the IJB.

10.3 The medical wards have a high level of delayed discharge plus it is recognised there is a high risk set aside saving that may not fully achieve. The in year overspend is **£165k** and yearend projection is **£208k**.

10.4 The medical consultant and specialised doctor budgets are overspent in year **£305k** and are projected to be overspent by **£533k**. The Board is having to employ high cost locums specifically in the specialist doctor rota (covering out of hours), paediatrics and psychiatry to cover vacancies. Work is underway reviewing these services but with a vacancy rate of 24.8% within medical staffing it has been very difficult to provide services without the use of some agency staff.

- 10.5 The projected underspend of **£82k** within the IJB pharmacy budget is due to underspends within the two community hospitals.
- 10.6 The Board is projecting an overspend of **£244k** on adult off island mental health placements despite increasing the budget for 2019/20 and achieving the discharge of one long term patient. There is a possibility of further long term placements if short term off island assessments and treatments (placed in October) do not work.

11. Bank Staff

- 11.1 The table below shows the costs over £10k of IJB Bank Staff.

Ward/ Department 2019 Bank Spend	Apr £	May £	Jun £	Jul £	Aug £	Sep £	Total £
Medical 2	10,070	7,810	11,963	10,584	10,839	9,485	60,751
Uists & Barra Hospital Nursing	7,685	9,843	8,159	9,655	11,416	8,343	55,103
Medical 1	7,408	8,346	10,950	7,154	3,862	6,522	44,243
Acute Psychiatric Ward Nursing	3,506	10,847	3,258	6,701	3,585	2,475	30,372
Barra Nursing	2,088	3,105	2,196	4,905	4,952	3,273	20,519
Erisort Ward Nursing	3,808	3,046	3,849	524	768	2,438	14,433
Community Nursing Eastside	1,495	388	1,578	1,198	2,202	4,006	10,867
Total	36,060	43,385	41,953	40,722	37,625	36,542	236,288

- 11.2 Not all wards/services cover their vacancies with bank, some with excess hours and some by the use of inter secondments from wards that may have a short term low bed compliment. Approximately 27% of bank costs are spent covering vacancies, 31% covering workload and clinical demand but the highest reason for bank use at 38% is to cover absence e.g. sickness and other special leave.

12. Temporary Workforce

- 12.1 As of 31st August 2019 12.2% of IJB established posts are vacant. Some of these posts cannot be replaced by locums when vacant, usually non clinical posts, but the majority of NHS Clinical posts are covered by NHS Locums, direct engagement of workers and agency staff. The medical director has put in place a cohort for medical consultant post that are paid an equivalent rate to a NHS Locum or substantive post holder (these staff are directly engaged but not on NHS Locum rates). The table below shows the costs for the first 6 months of temporary staff cover using locums.

Appendix 1

	Agency	IR35	Total
	£	£	£
Chs Medical Mental Health	18,455	147,259	165,714
Comm Psych Nurses Lewis & Harr		941	941
Gps - Gms Prescribing		32,770	32,770
Out Of Hours	50,977	23,106	74,083
Uists & Barra Hospital Nursing	16,457		16,457
Western Isles Dental Clinic	-	-	0
Wih Medical General Medicine	-12,710	404,062	391,352
Wih Medical Speciality Doctors	181,924	117,043	298,967
Homecare Services	98,574	-	98,574
Adult Services	76,643	-	76,643
Total	430,320	725,182	1,155,501

Appendix 1

13. Financial Efficiency Plan – action plans to achieve break-even

The following table shows the agreed actions, lead officers, contribution to savings and progress to date together with risk rating. The table shows that at month 5 the Board has achieved £648k savings against a target of £694k. The Board is projected to achieve £1,815k of the identified cash savings.

Ref.	Summary	IJB Lead	R/NR	Saving 19/20 £'000	Target Month 6 £'000	Actual Month 6 £,000	Projected Saving £,000	Shortfall £'000	Financial Risk
SC1	Reduce the cost of bespoke high cost packages - This proposal would allow us to reduce high-cost packages. Group based activities may increase service user risk if not appropriately supported. Workforce design issues to consider, along with new arrangements with third sector partners. Given the increasing amounts paid on the provision of sleepover arrangements, there is a case for reviewing whether these are always necessary and/or could be substituted with technology support focusing on generating efficiencies by reducing high cost packages of care through a needs-led reassessment. Efficiencies won't be taken unless the same outcomes can be delivered and needs met.	Head of Partnership Services	R	100	50	50	100	0	H
NHS 11	Off-island Placements - To consider new arrangements to support people with acute mental health problems within a local context or tailor high cost packages within mainland centres. Efficiencies won't be taken unless the same outcomes can be delivered and needs met.	Chief Officer	R	100	-	-	64	-36	H
NHS 12	Set aside Efficiencies Target - Demand optimisation to be considered as part of wider acute sector efficiency plan. Savings target of 3.2% in proportion to wider IJB efficiency target.	Nurse Director	NR	250	125	-	-	-250	H
SC4	Opportunistic vacancy savings on CNES pay budgets - This would recognise that the social care budgets will offer up opportunistic savings due to difficulty in recruiting to posts. Vacancy savings will not be targeted against specific posts and posts will not be kept vacant unless subject to resign or demand does not require them to be filled.	Chief Officer	NR	500	250	250	500	0	M
NHS3	Prescribing - increase in Rebates - This efficiency measure is intended to cover all generic drugs, rebates and income generation sources. Creates no clinical safety issues.	Chief Officer	R	50	25	25	50	0	M

Appendix 1

Ref.	Summary	DB Lead	R/NR	Saving 19/20 £'000	Target Month 6 £'000	Actual Month 6 £,000	Projected Saving £,000	Shortfall £'000	Financial Risk
NHS5	Public Dental Service - Reduction in core staffing in view	Director of Dental Services	R	120	60	60	120	0	M
SC2	Reprofile homecare provision in Uist, relying less on spot purchase - This proposal assumes that we can move away from spot purchasing towards established care provision. May have implications for commissioning arrangements but could be augmented by building additional respite capacity.	Head of Partnership Services	R	60	30	12	20	-40	M
NHS2	East side SCN frozen ahead of redesign - This post has already been frozen for several years, with a single SCN managing the two community nursing teams. While this is not without impact, it allows us to think about more permanent restructuring and re-allocation of responsibilities across the SCNs in Lewis and Harris.	Head of Locality Services	NR	40	20	20	40	0	M
NHS9	Wound Dressing Prescriptions - Reform of prescribing arrangements for wound dressing to make it more responsive to patient need and cut out waste	Chief Officer	R	5	3	3	5	0	M
SC9	Vacancy freeze on ASBO post - This would freeze the ASBO post and would result in short-term pressure on wider criminal justice service	Head of Partnership Services	NR	10	5	5	10	0	L
NHS7	Vacancy Efficiencies AHP - Savings taken from short term vacancy management	Head of Partnership Services	NR	20	10	10	20	0	L
NHS8	Mental Health Redesign/Vacancy Management - Opportunistic savings from processes of redeployment from Clisham wards to community	Associate Director Mental Health and Learning Disabilities	NR	30	15	140	280	250	L
SC3	Invest in fleet cars for the homecare workforce to reduce amount of travelling expenses - This would involve investing in Comhairle-owned vehicles in order to reduce the year-on-year travel costs associated with this service area. The proposed saving is modest, although there are wider corporate savings against the same line. Issues would need to be worked through with trade union colleagues.	Head of Locality Services	R	10	5	0	10	0	L

Appendix 1

Ref.	Summary	IJB Lead	R/NR	Saving 19/20 £'000	Target Month 6 £'000	Actual Month 6 £,000	Projected Saving £,000	Shortfall £'000	Financial Risk
SC5	Freeze vacant posts in the reablement team - This would significantly impact our plans to support people back to independence. The team is multi-professional and consists of OT, Physio and Reablement Workers. There are six reablement worker posts that are unfilled. We would freeze four for one year. This could contribute to longer term pressure on homecare budgets and short term pressure on delayed discharges.	Head of Partnership Services	NR	50	25	25	50	0	L
SC6	Management efficiencies - This consists of lag time in appointment to a senior management position and freezing the post supporting care first processes	Head of Partnership Services	NR	110	55	55	110	0	L
SC7	Care Unit Redesign - This proposal would involve the closure of two care units, with the third being redesigned to deliver respite care and £100k of capacity being diverted to homecare. This would be subject to public consultation and independent approvals.	Head of Partnership Services	R	145	73	73	145	0	L
SC8	Out of Hours HCA Post - Reform of Out of Hours Care is very much in development. We have allocated £80k from the closure of the old MOSS service to support OOH Nursing. However, the new team will not be operational until 2020/21	Chief Officer	NR	80	40	40	80	0	L
NHS1	Disestablish Redundant PDS Post - Vacant and not required. Capacity built elsewhere so function retained.	Chief Officer	R	18	9	9	18	0	L
NHS4	Efficiencies in Community Dental Services - This allows for the delivery of oral health objectives within the establishment while continuing to meet core obligations. Savings can be achieved without adversely affecting oral health outcomes	Director of Dental Services	NR	77	39	39	77	0	L
NHS6	Dental - Labs savings - savings on dental technician/lab	Director of Dental Services	NR	20	10	10	20	0	L
NHS10	Freeze AHP Lead Band 6 - To allow the new integrated structure to embed, the Head of Partnership Services will spend six months with AHP service managers to discuss and agree AHP lead arrangements	Head of Partnership Services	NR	20	10	10	20	0	L
TOTAL IJB Saving Plan				1,815	858	835	1,739	(76)	

14. Financial Risks

There are many potential operational and strategic financial risks faced in achieving the financial plan for 2019/20 presented here.

Operational

- 14.1 The board is still holding a number of delayed discharges the majority of which are awaiting care home placement or social home care packages. This may have a significant impact on the Board's ability to meet the Treatment Time Guarantee, and result in additional costs associated with staffing local contingency beds; mainland treatment as a result of displacement; and patient travel. In addition it could necessitate the urgent transfer of emergency admissions that may otherwise be treated locally. The potential increased impact in 2018/19 is in excess of **£150k** and the risk is currently rated as medium as action is being taken to address within the Health and Social Care Partnership.
- 14.2 Year on year mental health placements both for adults are increasing. This area is at high risk of increasing **£100k** above the identified overspend projection.
- 14.3 There is a risk of GP prescribing to increase further if for example, certain drugs go on short supply and winter pressures are higher than the average. The potential impact is **£150k** and the risk is high.
- 14.4 Although the consultant workforce has stabilised through the use of cohorts employed through a direct engagement model this still leaves the consultant work force vulnerable. The potential impact is **£150k** and is rated high.
- 14.5 There are increasing numbers vulnerable placements within Health and Social Care that are at risk of requiring intervention. The potential impact is **£200k** and this risk is rated as medium.

Strategic Risks

- 14.6 The challenges posed by the Financial Efficiency Plan are significant, and the proposed savings may not be achieved in their entirety. Of the cash releasing savings required to break even, **£450k** are currently rated as high risk.
- 14.7 Demographics around the increase in the 80+ and the reduction in the workforce population by 2027 could impact on many of our services. This is not going to happen in 2027 but will steadily occur over the coming, months and years. The impact of the change in demographics will see the following; higher drugs cost, increased inpatient days, higher use of agency staff to fill vacancies, fragile homecare and adult services with high levels of vacancies and the possibility of high cost packages being required off island for example. The potential cost pressure would be over **£2m** and is a high risk but phased over a number of years. This year's financial risk is **£200k** and is rated medium as some of the financial risks are being picked up within the risks above.

15. Glossary of Terms

Accumulated deficit	The cumulative sum of previous year end overspends (offset by any underspends) which must eventually be recovered.
Allied Health Professionals (AHPs)	Physiotherapists, Occupational Therapists, Speech & Language Therapists, Radiographers, Dieticians, Podiatrists, etc.
Annually Managed Expenditure (AME)	Expenditure, mainly provisions and impairments, which is not part of our "core" RRL and which is subject to review twice a year by SGHSCD. Note that when provisions are realised the cost is taken to revenue.
Capital expenditure	Spending on assets which meet given criteria, generally having a life of more than one year and an individual value of £5k or more or a grouped value of £20k or more.
CNORIS	Clinical Negligence and Other Risks Scheme. A risk transfer and financing scheme whereby the cost of losses is shared equitably across NHS boards.
Deferred Income	Allocations received in previous years against future expenditure.
Extra Contractual Referrals (ECR)	Referrals to mainland hospitals or private providers that NHS Western Isles do not have an SLA with. Often very high cost packages of care.
Financial Efficiency Plan (FEP)	A financial plan which identifies how required cash and non cash efficiency targets, both recurrent and non recurrent, will be achieved.
GPS	General Pharmaceutical Services, i.e. drugs prescribed in the community.
National Procurement (NP)	Part of NHS Scotland which advises and supports boards on procurement matters.
Provision	Money set aside to pay for an anticipated future liability.
Revenue expenditure	Spending on day to day operations.
Revenue Resource Limit (RRL)	Total revenue funding allocated to NHS Western Isles by SGHSCD each year.
Service Level Agreement (SLA)	Formal agreement with an external body for delivery of a specified service.
Underlying (recurrent) deficit	Long-term continuing spending not supported by ongoing funding.
UNPACS	Unplanned activities. Services provided by other boards where there is no SLA in place.