

South Ayrshire Health and Social Care Partnership

REPORT

Meeting of South Ayrshire Health and Social Care Partnership	Integration Joint Board
Held on	16th February 2022
Agenda Item	Item 7
Title	Budget Monitoring Period 9 – 31st December 2021
Summary: The purpose of this report is to advise the Integration Joint Board of the projected outturn for the year as estimated at Period 9 the 31st of December 2021.	
Presented by	Lisa Duncan, Chief Finance Officer
Action required: It is recommended that the Integration Joint Board: (i) Note the projected financial outturn to 31st of March 2022; (ii) Note the projected outturn in relation to Lead Partnership services; (iii) Note the projected outturn within the Acute Services budget and Set Aside budgets; (iv) Note the progress made towards savings; (v) Note the Covid-19 projected spend to 31st of March 2022; (vi) Approve the earmarking of funds in Section 4.11; (vii) Approve the budget virements in Section 4.12; (viii) Note the key financial issues and risks for the IJB	

Implications checklist – check box if applicable and include detail in report									
Financial	<input checked="" type="checkbox"/>	HR	<input type="checkbox"/>	Legal	<input type="checkbox"/>	Equalities	<input type="checkbox"/>	Sustainability	<input type="checkbox"/>
Policy	<input type="checkbox"/>	ICT	<input type="checkbox"/>						

Directions required to NHS Ayrshire & Arran South Ayrshire Council, or both	1. No Direction Required	<input type="checkbox"/>
	2. Direction to NHS Ayrshire and Arran	<input type="checkbox"/>
	3. Direction to South Ayrshire Council	<input type="checkbox"/>
	4. Direction to NHS Ayrshire and Arran and South Ayrshire Council	<input type="checkbox"/>

**SOUTH AYRSHIRE HEALTH AND SOCIAL CARE PARTNERSHIP
INTEGRATION JOINT BOARD
16th February 2022
Report by Chief Finance Officer**

Budget Monitoring Period 9 – 31st December 2021

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to advise the IJB of the projected financial outturn for the financial year as at 31st December 2021. The report will also provide an update on the projected financial costs in the continued response to the Covid-19 pandemic, progress made against savings approved within the IJB budget for 2021-22, movements on the annual approved budget for 2021-22. Request for approval to earmark funds and budget virements for approval are also included.

2. RECOMMENDATION

2.1 It is recommended that the Integration Joint Board;

- (i) Note the projected financial outturn to 31st of March 2022;
- (ii) Note the projected outturn in relation to Lead Partnership services;
- (iii) Note the projected outturn within the Acute Services budget and Set Aside budgets;
- (iv) Note the progress made towards savings;
- (v) Note the Covid-19 projected spend to 31st of March 2022;
- (vi) Approve the earmarking of funds in Section 4.11;
- (vii) Approve the budget virements in Section 4.12;
- (viii) Note the key financial issues and risks for the IJB

3. BACKGROUND INFORMATION

The projected year end outturn as at end of December 2021 is an overall underspend of £4.878m. This includes the partnerships' share of the Lead Partnership underspends. The continued cost in responding to the Covid pandemic is included in the report based on the assumption that costs will be fully funded this financial year, full details are included in Section 4.6. The projected outturn is broken down as follows:

- Social care services delivered by South Ayrshire Council are projected to be underspent by £3.658m,
- Managed services delivered by NHS Ayrshire and Arran are projected to be underspent by £0.640m, this has not been updated since period 6, due to the NHS finance team being redeployed to other areas to support the ongoing Covid pandemic response and
- Lead Partnership arrangements are projecting an underspend of £0.580m, this includes our share of East and North Health and Social

Care underspend combined with their contribution to our lead partnership services overspend.

4. FINANCIAL COMMENTARY

The integrated budget for 2021-22 is £257.561m, with a projected underspend of £4.878m, this is a favourable movement of £4.322m from period 6. Significant movements relate to:

- Additional SG funding for winter pressures of £2.833m, of which £2.513m is anticipated not be spent this financial year
- Community Living Fund £0.410m no spend anticipated this year, work progressing on options in relation to supported accommodation and overnight responder service
- Learning Disability care packages £0.338m favourable movement due to allocation of £0.250m transition budget approved in 21-22 budget now allocated to meet the costs of young adults who had transferred over earlier in year, balance of underspend due to one high cost care package ending
- Alcohol and Drug partnership underspend of £0.123m due to slippage in vacancies
- Children and Justice Services favourable movement of £0.239m mainly due to £0.200m adoption orders budget carried forward to be utilised this year remaining underspent due to continued pandemic and delay in court processes
- Support Services favourable movement of £0.537m due to overall payroll management target exceeded due to ability to recruit

Appendix A provides the projected financial position for the partnership and highlights the variances in service expenditure. Appendix B provides detail per partner.

The following sections will provide an overview of the projected financial outturn and underlying assumptions. An explanation of budget movements in year along with use of uncommitted reserves and budget virements seeking approval. Progress on savings to be achieved, and a summary of Covid-19 financial impact and the associated financial risks. A request to earmark funds to be carried forward into 2022-23 for specific purposes where funding has not been fully committed this year.

4.1 Community Health and Care – projected underspend of £2.509m

Against a full year budget of £69.783m, there is a projected underspend of £2.509m (3.27%). The main reasons for the overspend are:

Older People Residential Care Home Placements projected underspend of £0.479m due to additional funding of £1.002m to meet the cost of interim placements to support delayed transfers of care pressures. Of this funding only £0.300m has been committed to source additional placements due to capacity in the care home sector and the difficulties in recruiting and retaining staff.

The permanent budget can afford 840 placements since the beginning of March 21 care home placements were steadily increasing and peaked at 863 in September, since then they have steadily decreased with 836 care home placements at the end of Jan 21 there has been a decline in available capacity mainly due to workforce issues within the care home sector.

As At 31st of January there were 71 delays of which 17 were waiting on a nursing care home placement and 20 on care at home support. Appendix E charts the trend in care home placements and delayed discharges.

Inhouse Care at Home Service projected underspend of £1.753m, favourable movement of £1.732m mainly due to allocation of £1.554m of winter pressures funding to increase care at home capacity.

Purchased Care at Home Service projected underspend of £0.127m, favourable movement of £0.127m from period 6. Budget can afford 10,100 hours per week, current hours purchased are 9,994 hours per week. There has been a reduction in hours purchased of 16% or 1,966 hours since the start of the financial year, this can partially be attributed to the reablement team increasing capacity with 49% of service users who receive a reablement intervention not requiring mainstream care at home services. However, the reduction in ability to purchase care at home reflects the capacity issues in the private sector also impacting on 20 delayed discharges waiting care at home support that cannot be sourced as well as unmet need in the community of 1,042 hours assessed but not unable to be sourced. The activity and budget continue to be closely monitored. Appendix E highlights the trend in purchased care at home since the start of the year.

Allied Health Professionals – projected underspend of £0.222m, favourable movement of £0.114m mainly due to delay in recruitment. Projection assumes remaining vacant posts will be filled in the last three months of year.

Reablement Care at Home Service projected underspend of £0.216m, due to slippage in recruitment timelines. When the service is at full capacity and reablement service rolled out to all service users in need of care at home, this will reduce demand on purchased care further.

Older People respite services projected underspend of £0.220m due to decrease in demand, this is offset by an increase in direct payments. This will be closely monitored to ascertain if this pattern is permanent and budget virements for approval to be presented at a later date if appropriate.

Intermediate Care and Rehab – projected underspend of £0.155m, due to issues in recruiting a GP to the service.

The above underspends have been offset with overspends in the following services: -

Direct Payments and Individual Service Funds projected overspend of £0.193m due to an increase in demand, there has been a net increase of 18 packages (41 new and 23 ended) along with increases to existing care packages.

Biggart Hospital – projected overspend of £0.167m due to use of bank staff to support increase levels of support required including 33 delayed discharges at 31st January, an increase of 2 since end of September 21. The 21-22 budget has been increased by £0.500m on a non-recurring basis to allow the service to plan the future use of the hospital to ensure long term financial sustainability. The recurring budget of £4.4m can afford 58 beds at a cost of approximately £76k per bed, based on the activity and workforce model in May 21. At present there are 83 beds in use, with an additional 12 beds commissioned to provide capacity in responding to Covid the costs of these £0.545m are included in the local mobilisation plan.

The future model for Biggart Hospital has still to be decided at present there is no immediate plans to change the service due to the current demand for additional capacity at the hospital to meet increased frailty needs and delayed discharges. The winter planning investment in the community workforce is intended to provide supports in the community to alleviate pressure on the hospital. This will not materialise until recruitment has been finalised and services are running with an increased workforce to meet demand. Once the future model has been decided and plans on way forward are clear this will be presented to the IJB for approval. From a financial perspective any overspends next year will be offset by underspends in community care staffing investment and if required reserves, this will be continually monitored in the new year.

Community Nursing – projected overspend of £0.060m, 2 WTE nurses over established to cover staff long term sickness and maternity leaves.

Physical Disabilities – projected overspend of £0.170m, increase in demand since the start of the financial year there has been one new residential care package £0.085m and 5 new Direct Payments resulting in an overspend of £0.078m.

Income – a shortfall of £0.137m in income mainly due to implementation of day care charging £0.113m that has been paused this year and shortfall in income from residential charging, offset with an overrecovery of £0.035m in income received from contributions to care home charges.

4.2 Children and Justice Services – projected underspend of £0.423m

Against a full year budget of £24.134m, there is an underspend of £0.423m (1.75%), the main variances include underspends in:

Family Placements – projected underspend of £0.684m, a favourable movement of £0.374m. This projection includes out with authority foster placements currently 5 greater than budgeted and projecting a £0.422m overspend offset with internal foster placements currently 28 less than budgeted, resulting in a £0.630m underspend. This reflects the budget investment made into internal placements and disinvestment in out with authority placements, the variance is due to timing in recruiting internal foster care and young adults moving on from out with authority placements.

Adoption fees and orders are projecting an underspend of £0.380m, due to backlog of orders needing processed by the courts. Further underspend of £0.112m within carers in the community the budget can afford 18 placements currently there are only 7.

Staff Travel and Office Supplies and Services – projected underspend of £0.068m mainly due to staff working from home and meetings with families carried out virtually where possible. This underspend is after approved savings for 2021-22 of £0.030m have been achieved.

Children with Disabilities care packages – projected underspend of £0.031m due to less than expected spend on transport costs, day care and college supports due to pandemic restrictions. At present there are 61 placements, of these 26 will be transitioning to Adult services over the next 2 years.

The above underspends have been offset with overspends in the following:-

Health Visiting – projected overspend of £0.050m, due to payroll turnover target not anticipated to be achieved.

SDS Options 1 and 2 - projected overspend of £0.111m due to 21 new packages approved since the start of the year.

Young Persons Support and Transitions – projected overspend of £0.146m for care leavers expenses and rents.

4.3 Mental Health Services – projected underspend of £0.844m

Against a full year budget of £30.623m, there is a projected underspend of £0.844m (2.76%). The main reasons for the overall underspend are:-

Community Living Fund - £0.410m projected underspend this year, income received in 2020-21 from Scottish Government to redesign services for people with complex needs, anticipated no spend this year, time limit to spend is March 2024. Plans are being developed on use of the fund.

Learning Disabilities day care – projected underspend of £0.105m as a result of less demand, budget to be reviewed and virements presented if analysis determines decrease is reflective of increase in options 1 and 2.

Learning Disability Respite care – projected underspend of £0.105m due to less demand for respite than budgeted, however there has been an increase in direct payments to provide alternative to residential respite.

Health Learning Disability Team – projected underspend of £0.051m based on the current staffing establishment and level of spend continuing to the end of year. This underspend is reflective of prior year's underspend.

Community Mental Health Team – projected underspend of £0.183m, mainly due to slippage in recruitment from investment in new posts approved as part of budget 21-22.

Mental Health care packages – projected underspend of £0.078m based on current spend profile.

Addictions – projected underspend of £0.123m due to delay in utilising the drug mission funding.

The above overspends are offset with overspend in the following services:

SDS Options 1 and 2 projected overspend of £0.140m, net increase of 10 packages, 12 new and 2 ended.

4.4 Support Services projected underspend of £0.820m

Within the Council there is a projected underspend of £0.440m due to staff vacancy management higher than expected and funding set aside for contract uplifts that have not materialised this financial year.

Within Health there is a projected underspend of £0.380m, of which £0.300m relates to staff vacancies in business admin and the balance due to less spend on supplies.

4.5 Hosted Services projected overspend of £0.021m

The Continence Team have a projected overspend of £0.035m due to an increase in purchase of supplies and 0.5WTE additional to staffing establishment in the team to meet with demand pressures. A review of this service will be undertaken during the year to understand increase in demand and assess how to mitigate the financial pressure with new ways of working.

Community Equipment store is projecting an overspend of £0.031m as a result of an increased spend on equipment.

Family nurse partnership are projecting an underspend of £0.046m, this was due to slippage in filling the school student nurse posts with the additional funding provided by Scottish Government.

4.6 Covid Expenditure

The partnership continues to respond to the Covid pandemic following Scottish Government guidelines and legislation. Regular finance returns are submitted to the Scottish Government detailing the financial implications in responding to the pandemic.

The latest projected spend is £4.652m based on quarter 3 Local Mobilisation Plan (LMP) submitted on the 31st of January. This projection is based on the current principles in place for provider sustainability and on assumptions based at time of submission, these may change over time.

The assumption at present is that all costs incurred in responding to Covid will be met by the Scottish Government. This has not been confirmed in writing as yet, therefore still a potential risk should funding not be forthcoming.

The IJB has £3.873m earmarked reserves for Covid expenditure this year, based on the current projected costs of £4.652m, this leaves a balance of £0.779m still to be funded.

Description of Expenditure	Estimated Covid Spend 2021-22		
	NHS £'000	SAC £'000	Total £'000
Additional Community Hospital Bed Capacity	545	0	545
Additional Infection Prevention and Control Costs	9	0	9
Additional Staff Costs	337	482	819
Digital IT Costs	15	0	15
Additional Equipment and Maintenance	14	0	14
Additional PPE	0	296	296
Additional Capacity in Community	0	500	500
Social Care Provider Sustainability Payments	0	2017	2,017
Social Care Support Fund Claims	0	257	257
Remobilisation - Adult Social Care	0	179	179
TOTAL PER PARTNER	920	3,731	4,652

The costs include 12 additional community hospital beds at Biggart Hospital to relieve pressure on acute services and enable capacity at Ayr Hospital to be available. As mentioned earlier plans are in place to review the Biggart model and this will be dependent on the ongoing Covid recovery and response.

Staffing costs include additional staff to support the ongoing Covid response and recovery in meeting demand and backlogs.

Continued costs for sourcing PPE are expected to be recurring in nature, this has been highlighted to the Scottish Government. A PPE steering group has been set up to look at the ongoing supply of PPE with new arrangements to be decided for next financial year. The current arrangements in place under the

approved Memorandum of Understanding are that we procure our own, with National Services Scotland providing a top up at no charge, this additional top up of PPE is distributed by the HSCP's PPE hub to our private providers and personal assistants to ensure they have an adequate supply at all times.

Provider sustainability payments are approved by the Scottish Government and are in place until the 31st of March 2022. The new guidance from the 1st of November includes a change in financial support to care home occupancy payments, from this date occupancy payments will only be made if the care home is closed for a period of 28 days or more due to a Covid outbreak or instructed to close by Public Health. Other levels of support for staff Covid-related absence, additional staffing costs, infection prevention control and PPE costs continue to be financially reimbursed until the end of March 22 to ensure financial sustainability within the social care sector.

4.7 **Lead Partnerships projected underspend of £0.580m**

The table below is the latest share of Lead Partnerships projected outturn based on NRAC shares agreed through the Ayrshire Finance Leads group. The share of East and North Ayrshire projected underspends total £0.565m and East and North's share of our projected overspend of £0.021m is £0.015m this is income received to South, providing an overall underspend of £0.580m.

Host IJB	Underspend/ (Overspend) Hosted Services 21/22 £'000	East Ayrshire NRAC Share £'000	North Ayrshire NRAC Share £'000	South Ayrshire NRAC Share £'000	NRAC Basis
East Ayrshire	1,678	587	604	487	Prescribing - East 35%, North 36%, South 29%
North Ayrshire	254	83	93	78	Mental Health - East 32.8%, North 36.6%, South 30.6%
South Ayrshire	(21)	(7)	(8)	(6)	Community - East 32.7%, North 36.7%, South 30.6%
TOTAL	1,911	663	689	559	

East Ayrshire Health and Social Care Partnership lead on Primary Care services, the current projected underspend is £1.678m. The main underspends are due to:

- Primary Care and Out of Hours Services are projected to underspend by £1.352m, this includes reduced costs in Dental Services due to reduced service provision with an anticipated increase in staffing costs going forward. There are also reduced projected costs in Ayrshire Urgent Care Services (AUCS) with work being undertaken to cross charge costs related to the Covid-19 pandemic against the Local Mobilisation Plan.
- The Primary Care Improvement Fund is expected to outturn on budget. The sum of £1.272m has been brought forward from earmarked Reserves and will be used to take forward priorities to meet agreed outcomes. This sum includes £0.732m of South IJB reserves.

- The Prison and Police Healthcare services are projected to underspend by £0.338m, largely due to staff savings and the medical contracts at both Police and Prison have reduced.

North Ayrshire Health and Social Care Partnership lead on Mental Health Services, and are projecting to be underspent by £0.254m. Within this position are the following variances:

- A projected overspend in Adult Inpatients of £0.344m, mainly due to staff in re-deployment following the closure of Lochranza ward. There is also reduced bed sale income of £0.130m but this is included in the latest Local Mobilisation Plan and will be covered by Covid-19 funding.
- UNPACS is projected to overspend by £0.683m based on current placements, which have increased. These placements are for individuals with very specific needs that require a higher level of security and/or care from a staff group with a particular skill set/competence. This can necessitate an unplanned Activities (UNPACs) placement with a specialist provider which can be out-of-area. Applications to approve a placement are made to the Associate Medical Director for Mental Health who needs to be satisfied that the placement is appropriate and unavoidable prior to this being agreed.
- A projected underspend in mental health pharmacy of £0.160m due to continued lower substitute prescribing costs.
- Learning Disability services projected to overspend by £0.479m. This is mainly due to high usage of supplementary staffing, cross-charging for a LD patient and redeployment staffing costs. Supplementary staffing costs relate to backfill for sickness, increase and sustained enhanced observations and vacancies.
- The turnover target of £0.400m for vacancy savings is held within the Lead Partnership as this is a Pan-Ayrshire target. There is a projected over-recovery of the vacancy savings target of £1.492m. This is informed by the recruitment plans and the confidence in recruitment success and realistic timescales for filling individual vacancies. Main areas contributing to this over achievement are noted below:
 - Adult Community Health services £0.090m
 - Elderly inpatients £0.407m
 - CAMHS £0.503m
 - Mental Health Admin £0.210m
 - Psychiatry £0.340m
 - Associate Nurse Director £0.042m
 - Psychology £0.300m

South Ayrshire Health and Social Care Partnership lead on the community equipment store, family nurse partnership and the continence team. Included in the partnership managed budget is an overspend of £0.021m. Our share of

this is £0.006m with the balance £0.015m received from the other Partnerships, reflected in the Recharges to other Partnerships line in the IJB financial report on Appendix A.

4.8 Acute Hospitals

The 2021-22 annual budget for Acute Services is £374m, which includes areas covered in the set aside budget. The current overspend at period 6 is £0.642m, this is a result of savings not expected to be achieved and overspends due to increase in drugs, surgical supplies and equipment.

The “Set Aside Budget” as it is referred to in the Integration Scheme, represents the direct cost of six specialities and is focussed on unscheduled activity. The six areas of are Accident and Emergency, General Medicine, Geriatric Medicine, Respiratory Medicine, Rehabilitation Medicine and certain GP non-elective activity. The Integration Scheme makes provision for the Set Aside budget to be managed in year by the Health Board with any recurring over and underspends being considered as part of the annual budget setting process.

The set aside allocation within the 2021-22 budget was an indicative allocation of 2020-21 budget of £27.892m increased by 1.5% uplift to £28.311m. This indicative allocation is used for the purposes of this financial monitoring report.

Work was undertaken last year to establish a system to calculate the baseline of resources for each partnership based on actual activity. The activity from 2019-20 is used for this purpose as it is the last full year available dataset reflecting actual activity and removes fluctuations experienced in 2020-21 as a result of the Covid pandemic. This information will be reviewed on a quarterly basis as part of the Pan Ayrshire fair share pilot project and the use of directions to ensure that the delegated set aside budgets can be fully implemented form 2022-23.

The table below highlights South Ayrshire’s use of resources with the latest information available, this shows we are using more than our “fair share” as determined by NRAC.

All Ayrshire IJB	2021/22 NRAC Share %	2021/22 NRAC Share £	Q1 2021/22 Spend £	2020/21 Variance £
East	32.4%	11,206,997	10,363,270	843,727
North	36.8%	12,733,798	13,404,932	(671,133)
South	30.8%	10,635,897	10,808,491	(172,594)
Total	100%	34,576,693	34,576,693	0

4.9 Budget Movements

The budget was approved on the 24th of March 21, appendix C highlights the movement in the overall budget position from initial approval. Section 8.2.5 of the Integration Scheme states that “Either party may increase its in year

payment to the Integration Board. Neither Party may reduce the payment in-year to the Integration Board nor Services managed on a Lead Partnership basis without the express consent of the Integration Board”.

Explanation on main budget movements:

1. Budget transfer of £0.492m from Council to NHS as approved in Budget 2021-22.
2. Justice Services grant income received from Scottish Government £2.117m.
3. Earmarked Funds brought forward into 2021-22 budget £5.001m
4. Prescribing and GMS allocations £3.448m
5. Podiatry budget allocated to SAHSCP £0.664m
6. Scottish Government allocation for Alcohol and Drug Partnership (ADP) - £0.886m
7. Included in the budget is balance of covid costs to be met from Scottish Government - £0.779m.
8. Scottish Government allocation of 21-22 winter pressures funding £2.704m
9. Scottish Government allocation of school student nursing funding £0.624m

4.10 IJB Reserves Balance

In the IJB annual accounts for 2020-21 reserves balance of £10.206m were approved, this included £6.355m earmarked for specific purposes as noted in the table below. A balance of £3.851m was available to fund change activity and provide for any financial uncertainties. The IJB has approved various investments to support the partnership’s strategic priorities over the next couple of years as noted in the table below. There is an uncommitted balance of £2.617m remaining.

IJB RESERVES POSITION			
Description	Earmarked Funds	General Fund	Balance at 31 March 2022
	£000's	£000's	£000's
Total Opening Balance 1st April 2021	6,355	3,851	10,206
Approved Earmarked:-			
ADP	42		
PCIF	732		
Action 15	204		
Covid- 19 Remobilisation	3,873		
Covid-19 C&F MH and Wellbeing	200		
Community Living Fund	410		
Training SVG	127		
Staffing (CM2000 and Carefirst projects)	129		
Care at Home Mobile Attendants	56		
Alcohol and Drugs Partnership	75		
Adoption Orders Delayed	200		
Fostering - Advertising for Carers	10		
Whole System Whole Family Staffing	57		
Addictions Team	12		
SDS Staffing - RAS development	20		
ERT Admin temp resource	24		
School Student Nurse Funding	184		
Approved IJB			
Learning Disability Lead Practitioner		121	
Learning Disability Champions Board Officer		47	
Public Protection Policy Officer		121	
Health Visiting investment in I-Phone		22	
Young Carers Officer		50	
Wallacetown investment		10	
Adult Social Work Review		150	
Commissioning team resource		40	
District Nursing Workforce review		100	
ADP Development Officer Post		70	
Developing community capacity		100	
Frailty capacity within MDT		143	
AHP Capacity		200	
Absence Management Officer		60	
Total Earmarked/Committed	6,355	1,234	7,589
Uncommitted Reserves Balance	0	2,617	2,617

4.11 Request for Earmarking

As noted earlier in the report, there are various underspends due to additional funding, delays in recruitment, expenditure that was earmarked last year for specific tasks that have continued to be delayed or postponed this year, due to

the continued covid response and the impact this has had on other services. The following table is a note of specific items for approval to be earmarked into 2022-23.

Budget	£000's	Earmark Reason
Reablement	88	Temp community care assistant post for 2 years in Reablement Team
Care at Home	27	Mobile attendants budget to provide additional capacity to cover long term sick
Care at Home	1,554	Care at Home Capacity underspend of additional winter pressure funding
Care Homes	760	Interim Care funding underspend
Training	72	Homecare SVQ Training outstanding from 2020
Addictions	123	ADP carry forward Drug Mission Funding
Fostering	17	Fostering - Advertising for Carers
Adoption	200	Adoption orders continue to be delayed due to Court backlog
Learning Disability Community Living Fund	410	Funding has to be used by March 2024, plans are being developed to commit this fund
Total Earmarking Request for Approval	3,251	

4.12 Virements for Approval

South Lodge Care Home add an income budget of £0.119m for income received from East Ayrshire and add corresponding employee budget of £0.119m for the costs incurred in staffing to support the East Ayrshire resident.

Contract uplift budget vire £0.087m to meet the efficiency target within Voluntary Organisations. Underspend in contract uplifts set aside for non-contracted spend that did not materialise efficiency target was set in 2020-21 budget for Voluntary Organisations, following review this saving is not achievable. Budget virement is requested to address this issue.

4.13 Savings Targets

Savings targets of £3.393m were approved in the 2021-22 budget and expected to be achieved this financial year to date. Appendix D details savings approved and progress made this year along with £0.567m outstanding efficiencies from prior year that required to be actioned this year.

To date £3.650m (92%) of total approved efficiencies have been achieved. Good progress in savings plans have been made along with work undertaken last year with full benefits realised in 2021-22 within outwith authority placements, savings in mileage from changes to working model and move to virtual meetings. Savings in supplies and services due to implementation of CM2000, carefirst and working from home. Efficiencies within care at home have been met following successful reablement intervention reducing the demand on mainstream care at home, analysis undertaken has shown 49% of service users who receive reablement are independent and do not require

mainstream care at home services. The savings within the care home budget were approved last year based on prior investment not being fully needed. Savings in Learning Disabilities care packages have been achieved from review of care packages and service delivery.

The table below, summarises the savings by BRAG status, defined as B – Saving is complete, R – Not on Track requires action, A – Minor issues mitigation required, G – savings on track for completion.

BRAG Status	Total Approved Efficiencies	Achieved 21-22	Projected to be achieved	Balance Remaining
B	3.572	3.572	0.000	0.000
G	0.272	0.078	0.195	0.000
A	0.000	0.000	0.000	0.000
R	0.116	0.000	0.000	0.116
Total	3.960	3.650	0.195	0.116

The only saving within the red status requiring action is the review and implementation of a revised charging policy outstanding from prior year. Due to the pandemic this work was paused in 2020-21, as consultation process could not have been facilitated with ease. However, the Independent Review of Adult Social Care was published in February 2021 and includes recommendations to remove charging for non-residential social care support. Until we are clear on the recommendations to be taken forward this work will continue to be deferred.

4.14 Financial Risks

The financial risks within the IJB's delivery of health and social care services over the next financial year are:

- Cost of recovery and renewal from the pandemic, as services start to reopen and redesign providers costs may not correlate to the budget availability;
- The levels of non-recurring funding for specific policies are reducing the level of flexibility in managing the finances locally and directing to areas of specific need;
- Ability to financially plan in medium to longer term is hindered by the levels of non-recurring funding and the financial settlement from Scottish Government on an annual basis;
- Implementation of recommendations from the Independent Adult Care Review specifically the removal of non-residential charging if not fully funded will be a risk to financial sustainability;
- Uncertainty in levels of demand as we move out of the pandemic;
- Implementation of fair shares for the Set Aside budget, South Ayrshire are using more than their current NRAC share.
- There is a risk within the NHS budget that pay awards for medical staff may not be fully funded. At present the NHS are anticipating this will be fully

funded however confirmation from the Scottish Government is outstanding at present.

The above risks will be continued to be monitored during the year through continued budget monitoring, robust savings plans and transformation activities. The IJB is in a position this year that reserves are available to help mitigate any financial challenges that arise, however there is a balance that needs to be achieved in utilising reserves to support transformation and to assist in longer term financial sustainability.

5 STRATEGIC CONTEXT

- 5.1 The IJB is expected to operate within the resources available. This report contributes to the IJB Strategic Objective to “operate sound strategic and operational management systems and processes.”

6 RESOURCE IMPLICATIONS

6.1 Financial Implications

- 6.1.1 The financial implications for the IJB Integrated Budget are outlined within the report.

6.2 Human Resource Implications

- 6.2.1 There are no human resource implications arising from this report.

6.3 Legal Implications

- 6.3.1 There are no legal implications arising from this report.

7 CONSULTATION AND PARTNERSHIP WORKING

- 7.1 This report has been prepared in conjunction with colleagues from South Ayrshire Council and NHS Ayrshire and Arran.

8 RISK ASSESSMENT

- 8.1 The report sets out the financial risks.

- 8.2 The IJB Risk Management Strategy categorises the level of financial risk as high.

9 EQUALITIES IMPLICATIONS

- 9.1 There are no immediate equality implications arising from the report.

10 SUSTAINABILITY IMPLICATIONS

- 10.1 There are no environmental sustainability issues arising from the approval of this report by the IJB.

REPORT AUTHOR AND PERSON TO CONTACT

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BACKGROUND PAPERS

APPENIDX A

South Ayrshire Health & Social Care Partnership			
Financial Report as at 31st December 2021			
Table 1	2021/22		
	Integrated		
	Budget	Actual Outturn	Variance (Over)/ Underspend
	£'000	£'000	£'000
Older People	48,070	45,763	2,307
Physical Disabilities	3,697	3,867	(170)
Biggart Hospital	4,918	5,085	(167)
Girvan Hospital	1,418	1,426	(8)
Community Nursing	3,165	3,225	(60)
Intermediate Care and Rehabilitation	1,625	1,470	155
AHPs	6,890	6,668	222
Total Community Care & Health	69,783	67,504	2,279
C&F Social Work Services	21,451	20,987	464
Criminal Justice	(4)	(13)	9
Health Visiting	2,687	2,737	(50)
Total Children and Justice Services	24,134	23,711	423
Learning Disabilities	21,417	20,943	474
Mental Health Community Teams	6,486	6,224	262
Addictions	2,720	2,612	108
Total Mental Health Services	30,623	29,779	844
Directorate	6,353	5,629	724
Other Services	1,071	1,266	(195)
Payroll management target	(263)	(554)	291
Total Support Services	7,161	6,341	820
Integrated Care Fund/ Delayed Discharge	1,096	1,144	(48)
Scheme of Assistance	793	793	0
Inter Agency Payments	0	0	0
Prescribing	24,362	24,362	0
General Medical Services	18,881	18,881	0
Total Primary Care	43,243	43,243	-
Community Store	934	965	(31)
TEC	-	0	0
Family Nurse Partnership	1,890	1,844	46
Continence Team	441	476	(35)
Total Hosted Services	3,265	3,285	(20)
Debt Repayment	1,092	1,092	0
COVID Expenditure	4,652	4,652	0
PARTNERSHIP TOTAL	185,842	181,544	4,298
Recharges from other Partnerships	45,674	45,109	565
Recharges to other Partnerships	(2,266)	(2,281)	15
Acute Hospitals	28,311	28,311	0
IJB Core Budget Total	257,561	252,683	4,878

APPENDIX B

South Ayrshire Health & Social Care Partnership Financial Report as at 31st December 2021

Table 1	2021/22			2021/22			2021/22		
	Council			NHS			Integrated		
	Budget	Projected Outturn	Variance (Over)/ Underspend	Budget	Projected Outturn	Variance (Over)/ Underspend	Budget	Actual Outturn	Variance (Over)/ Underspend
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Older People	48,070	45,763	2,307	0	0	0	48,070	45,763	2,307
Physical Disabilities	3,697	3,867	(170)	0	0	0	3,697	3,867	(170)
Biggart Hospital	0	0	0	4,918	5,085	(167)	4,918	5,085	(167)
Girvan Hospital	0	0	0	1,418	1,426	(8)	1,418	1,426	(8)
Community Nursing	0	0	0	3,165	3,225	(60)	3,165	3,225	(60)
Intermediate Care and Rehabilitation	0	0	0	1,625	1,470	155	1,625	1,470	155
AHPs	0	0	0	6,890	6,668	222	6,890	6,668	222
Total Community Care & Health	51,767	49,630	2,137	18,016	17,874	142	69,783	67,504	2,279
C&F Social Work Services	21,451	20,987	464	0	0	0	21,451	20,987	464
Criminal Justice	(4)	(13)	9	0	0	0	(4)	(13)	9
Health Visiting	0	0	0	2,687	2,737	(50)	2,687	2,737	(50)
Total Children and Justice Services	21,447	20,974	473	2,687	2,737	(50)	24,134	23,711	423
Learning Disabilities	20,951	20,528	423	466	415	51	21,417	20,943	474
Mental Health Community Teams	3,604	3,525	79	2,882	2,699	183	6,486	6,224	262
Addictions	1,559	1,436	123	1,161	1,176	(15)	2,720	2,612	108
Total Mental Health Services	26,114	25,489	625	4,509	4,290	219	30,623	29,779	844
Directorate	3,455	3,112	343	2,898	2,517	381	6,353	5,629	724
Other Services	1,071	1,266	(195)	0	0	0	1,071	1,266	(195)
Payroll management target	(263)	(554)	291	0	0	0	(263)	(554)	291
Total Support Services	4,263	3,824	439	2,898	2,517	381	7,161	6,341	820
Integrated Care Fund/ Delayed Discharge	267	283	(16)	829	861	(32)	1,096	1,144	(48)
Scheme of Assistance	793	793	0	0	0	0	793	793	0
Inter Agency Payments	(22,640)	(22,640)	0	22,640	22,640	0	0	0	0
Prescribing	0	0	0	24,362	24,362	0	24,362	24,362	0
General Medical Services	0	0	0	18,881	18,881	0	18,881	18,881	0
Total Primary Care	0	0	0	43,243	43,243	0	43,243	43,243	-
Community Store	0	0	0	934	965	(31)	934	965	(31)
TEC	0	0	0	0	0	0	-	0	0
Family Nurse Partnership	0	0	0	1,890	1,844	46	1,890	1,844	46
Continence Team	0	0	0	441	476	(35)	441	476	(35)
Total Hosted Services	0	0	0	3,265	3,285	(20)	3,265	3,285	(20)
Debt Repayment	1,092	1,092	0	0	0	0	1,092	1,092	0
COVID Expenditure	3,731	3,731	0	920	920	0	4,652	4,652	0
PARTNERSHIP TOTAL	86,834	83,176	3,658	99,007	98,367	640	185,842	181,544	4,298
Recharges from other Partnerships				45,674	45,109	565	45,674	45,109	565
Recharges to other Partnerships				(2,266)	(2,281)	15	(2,266)	(2,281)	15
Acute Hospitals				28,311	28,311	0	28,311	28,311	0
IJB Core Budget Total	86,834	83,176	3,658	170,726	169,507	1,220	257,561	252,683	4,878

APPENDIX C PARTNERHSIP BUDGET MOVEMENTS

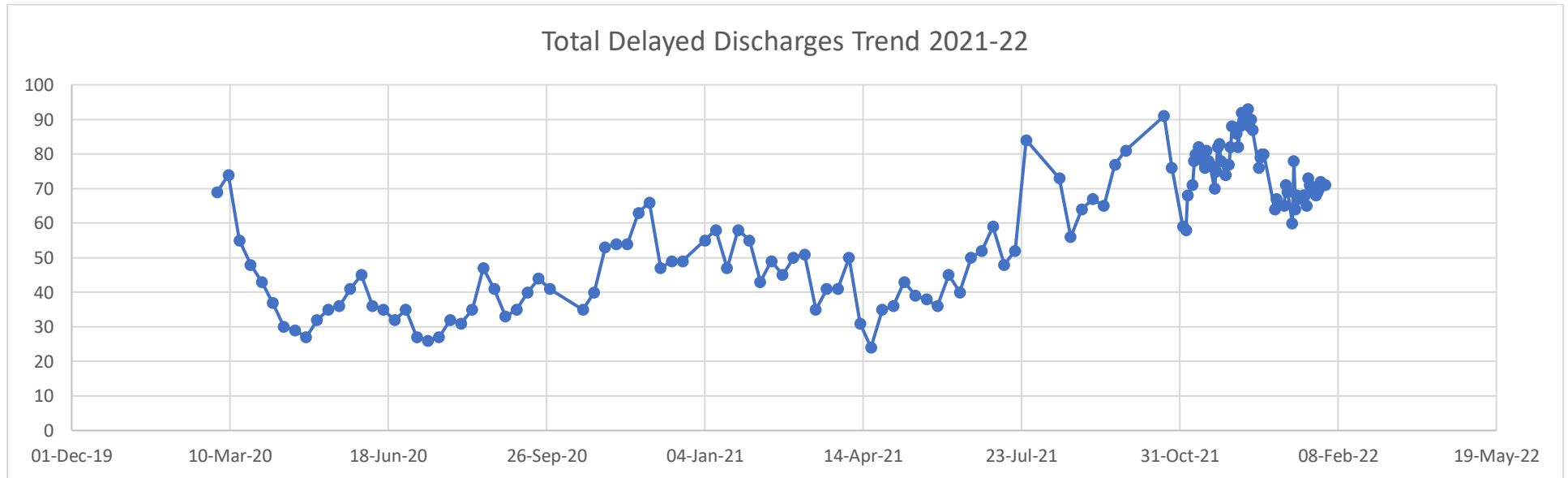
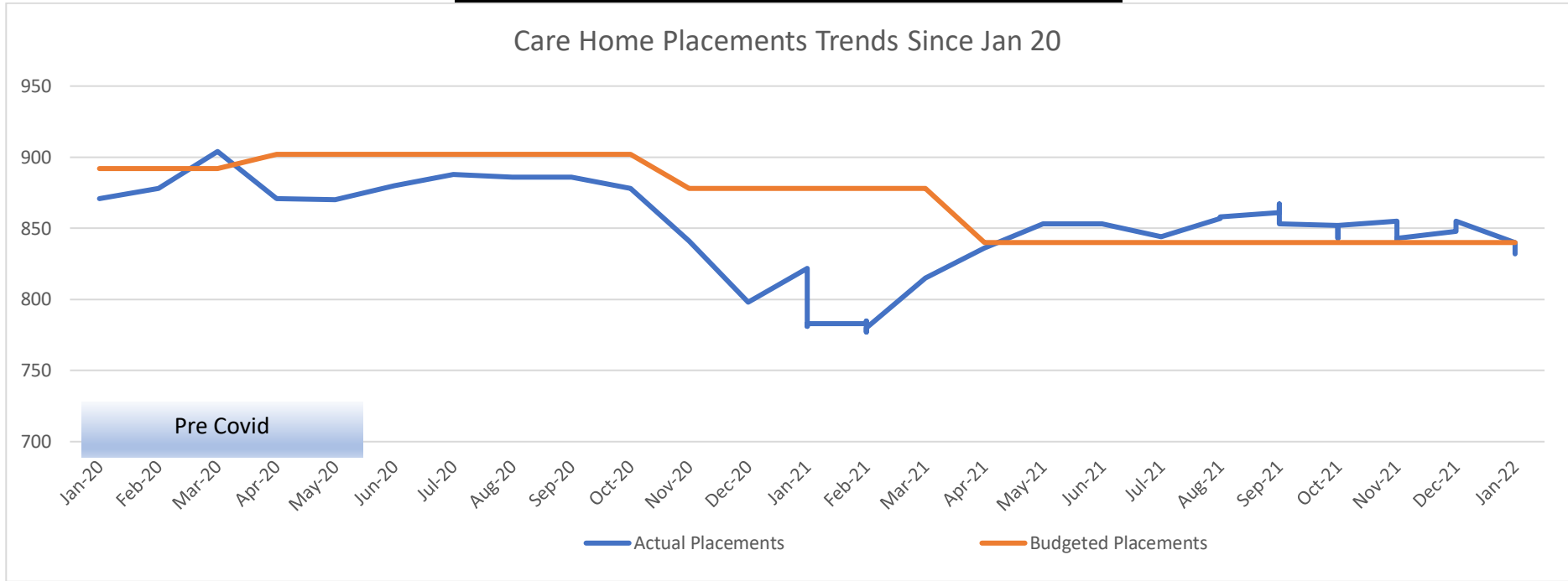
<u>NHS</u>	Permanent or Temporary	£'000
Approved Budget		92,154
Non-Recurring Funding 20/21 Adjustment		(708)
20/21 Veterans First Correction		(5)
20/21 District Nursing Allocation		(10)
GMS		2,329
Prescribing		1,119
Community Equipment Store (DEL Monies)		350
District Nursing Allocation		87
Family Nurse Partnership (Uplift)		102
Advanced Physio GM Post to Nursing Director		(12)
Public Health Funding		(23)
Respiratory Rapid Response		(63)
Covid Funding		170
Covid Rehab AHP's		56
Podiatry Re-Align from East HSCP		666
Iona/Lewis Patient from North HSCP		46
MIN Allocation		20
Long Covid Funding		135
AHP 12week unscheduled care		198
ADP Funding		886
Covid Biggart Beds		545
PCRS Cres		(35)
School Student Nursing		624
Community Store Drivers from East & North		34
AHP Trauma & Orthopaedics		35
Diabetes Prevention		10
Pay Award 8a+		13
GMS Premises		(112)
Winter Funding		148
Covid Funding from Reserves and SG		249
Budget as at Period 9		99,007

<u>Council</u>	Permanent or Temporary	£'000
Approved Budget		79,705
Transfer to NHS interagency		492
Scheme of Assistance	T	4
Justice Grant income	T	(2,117)
Earmarked Funds B/fwd	T	1,163
Earmarked Covid B Fw/d	T	3,838
Meditation Co-ordinator Post Funding	T	30
Tfer Childrens houses FM staff	T	66
3rd party insurance recharge	T	5
Insurance premiums allocation	T	183
SG £300m	T	1554
Pay uplift	T	964
Interim care funding	T	1002
MH addl MHO capacity SG	T	57
Asylum seeking children	T	11
Covid Balance to be trsf to NHS	T	(123)
Budget as at Period 9		86,834

APPENDIX D SAVINGS SCHEDULE

				£	£	£	£	
Saving Title	Partner	Approved	BRAG Status	Efficiencies 21-22	Achieved 21-22	Further achievement projected	Balance remaining	Comments
LD Day Services	SAC	PY	G	(55,900)	(55,900)	0	0	Prior Year Saving Ongoing - met on temp basis this year
Day care charging	SAC	PY	R	(116,000)	0	0	(116,000)	Not implemented - on hold awaiting the outcome of the Independent Review of Adult Social Care recommendations
Review of Adult Care Packages	SAC	PY	B	(324,000)	(324,000)	0	0	Achieved through review of packages
Review of Voluntary Organisations Budgets	SAC	PY	G	(71,500)	0	(71,500)	0	Budget Virement requested to address this saving
Prior Year Efficiencies				(567,400)	(379,900)	(71,500)	(116,000)	
Reduce OWA Placements	SAC	2021-22	B	(70,000)	(70,000)	0	0	Saving has been achieved in full this year
Review of commissioned children and families services	SAC	2021-22	G	(50,000)	(22,000)	(28,000)	0	New commissioning officer in post to assist in review and development of services
Cunningham Place Children's House Development	SAC	2021-22	G	(95,000)	0	(95,000)	0	Due to Covid works on the house have been delayed, savings anticipated to be made through reduction in one residential placement.
Intensive Family Support Reduce OWA placements	SAC	2021-22	B	(400,000)	(400,000)	0	0	Saving achieved last year through reduction in placements, full year effect realised this year.
Care at Home Reablement Efficiencies through reduction in demand	SAC	2021-22	B	(400,000)	(400,000)	0	0	Analysis has highlighted successful reablement has reduced mainstream demand
Reduction in Care Home Placements	SAC	2021-22	B	(777,000)	(777,000)		0	Budget removed for 21-22
Review of Adult Care Packages	SAC	2021-22	B	(406,641)	(406,641)	0	0	In progress ongoing work in team to increase use of technology based services and commission responder services to reduce sleepovers where possible
Transform Services	SAC	2021-22	B	(200,000)	(200,000)	0	0	Ongoing commissioning work with providers reviewing services pre-covid, savings achieved from private day care provision
Direct Payments - review SDS support	SAC	2021-22	B	(200,000)	(200,000)	0	0	Based on current projection, target has been achieved for this financial year
Mileage and Transport Review	SAC	2021-22	B	(50,000)	(50,000)	0	0	Based on current projection, target has been achieved for this financial year
Supplies and Services Review	SAC	2021-22	B	(180,000)	(180,000)	0	0	Based on current projection, target has been achieved for this financial year
Training Budget reduce for one off funding in 19/20 Budget	SAC	2021-22	B	(164,000)	(164,000)	0	0	Budget removed for 21-22
Staff Turnover SAC	SAC	2021-22	B	(200,000)	(200,000)	0	0	Based on current projection, target has been achieved for this financial year
Staff Turnover NHS	SAC	2021-22	B	(200,000)	(200,000)	0	0	Based on current projection, target has been achieved for this financial year
Approved 2021-22 Efficiencies				(3,392,641)	(3,269,641)	(123,000)	0	

APPENDIX E FINANCIAL PERFORMANCE AND ACTIVITY



Purchased Care at Home Trends

