
Report To: Inverclyde Integration Joint Board **Date:** 29 March 2021

Report By: Louise Long **Report No:** IJB/15/2021/LA
Corporate Director (Chief Officer)
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Partnership

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Subject: **FINANCIAL MONITORING REPORT 2020/21 – PERIOD TO 31
DECEMBER 2020, PERIOD 9**

1.0 PURPOSE

- 1.1 The purpose of this report is to advise the Inverclyde Integration Joint Board (IJB) of the Revenue and Capital Budgets, other Income Streams and Earmarked Reserves position for the current year with a detailed report as at Period 9 to 31 December 2020.

2.0 SUMMARY

- 2.1 The detailed report outlines the financial position at Period 9 to the end of December 2020. The Covid-19 pandemic has created significant additional cost pressures across the Health & Social Care Partnership (HSCP). The figures presented include projected Covid costs and offset against that is confirmed Covid funding. It is anticipated that the balance of actual additional Covid costs will be received from the Scottish Government and funding has been projected on this basis.
- 2.2 The current year-end operating projection for the Partnership includes £7.734m of net Covid-19 costs for which full funding is anticipated from the Scottish Government through local mobilisation plans. At Period 9 there is a projected overspend of £0.690m in Social Care core budgets.
- 2.3 The IJB Audit Committee received a report in January on the reserves position which explained the purpose of IJB reserves and detailed how unfunded elements of Covid local mobilisation plan costs could potentially be covered. An extract of that report is enclosed at Appendix B for information, the full report is available through the IJB Audit Committee online agenda and papers.
- 2.4 As in previous years, the IJB has financial commitments in place in relation to spend against its Earmarked Reserves in-year for previously agreed multi-year projects and spend, including the impact of any transfers to/from reserves as a result of anticipated over and underspends. In February 2021 the IJB received over £4m of additional funding from Scottish Government relating to Covid 19, ADP, Action 15 and PCIP. This together with the in year underspend on Health means that, in line with many other IJBs, the IJB reserves are forecast to increase in year by a net £2.853m.
- 2.5 The Chief Officer and Heads of Service will continue to work to mitigate any projected budget pressures and keep the overall IJB budget in balance for the remainder of the year. It is proposed that, as in previous years, any over or underspend is taken from or added to IJB reserves.

- 2.6 The report outlines the current projected spend for the Transformation Fund.
- 2.7 The assets used by the IJB and related capital budgets are held by the Council and Health Board. Planned capital spend in relation to Partnership activity is budgeted as £0.147m for 2020/21 with £0.106m actual spend to date.
- 2.8 The IJB holds a number of Earmarked and General Reserves; these are managed in line with the IJB Reserves Policy. The total Earmarked Reserves available at the start of this financial year were £7.709m, with £0.741m in Unearmarked Reserves, giving a total Reserve of £8.450m. The projected year-end position is a carry forward of £11.303m. This is an increase in year due additional funding due to be received in February 2021.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Integration Joint Board:
1. Notes the current Period 9 forecast position for 2020/21 as detailed in the report Appendices 1-3 and notes that the projection assumes that all Covid costs in 2020/21 will be fully funded by the Scottish Government,
 2. Notes that in the event that there are any gaps in funding for Covid costs, then the IJB will review the reserves to meet this shortfall,
 3. Approves the proposed budget realignments and virement (Appendix 4) and authorises officers to issue revised directions to the Council and/or Health Board as required on the basis of the revised figures enclosed (Appendix 5);
 4. Approves the planned use of the Transformation Fund and transfer of SWIFT system replacement funding to a separate Earmarked Reserve (Appendix 6);
 5. Notes the current capital position (Appendix 7);
 6. Notes the current Earmarked Reserves position (Appendix 8),
 7. Notes the key assumptions within the forecasts detailed at section 11, and
 8. Notes the extract from the IJB Audit Committee Reserves paper from January 2021 in Appendix B.

Louise Long
Corporate Director (Chief Officer)

Lesley Aird
Chief Financial Officer

4.0 BACKGROUND

- 4.1 From 1 April 2016 the Health Board and Council delegated functions and are making payments to the IJB in respect of those functions as set out in the integration scheme. The Health Board have also “set aside” an amount in respect of large hospital functions covered by the integration scheme.
- 4.2 The IJB Budget for 2020/21 was set on 17 March 2020 based on confirmed Inverclyde Council Funding and indicative NHS GG&C funding. On 2 November the NHS confirmed a funding offer for the IJB for the year which was in line with the indicative offer for core budgets. The IJB formally approved by the Health Board budget offer at its 25 January meeting. The table below summarises the agreed budget and funding together with the projected operating outturn for the year as at 31 December:

	Revised Budget 2020/21 £000	Projected Outturn £000	Projected Over/(Under) Spend £000
Social Work Services	70,271	70,961	690
Health Services	80,204	80,204	0
Set Aside	27,651	27,651	0
HSCP NET EXPENDITURE	178,126	178,816	690
FUNDED BY			
Transfer from / (to) Reserves	(6,073)	(5,383)	690
NHS Contribution to the IJB	132,106	132,106	0
Council Contribution to the IJB	52,093	52,093	0
HSCP FUNDING	178,126	178,816	690
Planned Use of Reserves	2,137	2,853	
Annual Accounts CIES Position (assuming Covid costs are covered in full)	2,137	2,853	

4.3 Updated Finance Position and Forecasting to Year-end

The timelines for Committee paper submission mean that, by necessity, finance reports are often a couple of months old by the time they come to the IJB. To address this, an updated finance summary detailing any significant changes to financial forecasts from the report date to the current period will be provided as part of the monitoring report presentation from the October report onwards each year.

This ensures that the Board continues to receive the full detailed finance pack but is also updated on any substantive changes to the forecast position between the pack date and the meeting date. Appendix 1a details movements in forecasts since the last report. This year the majority of these are Covid-related as the pandemic response changes.

4.4 Covid-19 Mobilisation Plans

Local Mobilisation Plan (LMP) submissions are made regularly through the Health Board to the Scottish Government detailing projected and actual Covid costs on a month to month basis. This report reflects the current projected costs and confirmed income in relation to this.

- 4.5 Appendix 1B details the current projected Covid costs and confirmed income, this ties back with the latest LMP.
- Projected costs for the year based on the January submission are £7.734m (£5.592m Social Care and £2.142m Health).

- Full funding for 2020/21 has been received as has some advanced funding for some anticipated 2021/22 costs.
- £0.396m of the Health funding was for Hospices, this has been received and passed to the hospice.
- The table at the top of Appendix 1B details the projected spend across Social Care and Health on Employee costs, Supplies and Services etc.
- The second table on Appendix 1a shows a summary of the specific areas this spend is projected across.
- Actual costs to 31 January were £5.426m (£3.574m Social Care, £1.852m Health) The social care actuals include a pro rata share of the £0.9m offsetting cost reductions for care home beds now reflected in the Social Care figures.

4.6 The IJB has provided the Scottish Government with regular updates in relation to forecasted spend for all services and the cost of responding to the pandemic and this will be used by the Scottish Government in assessing future funding needs.

5.0 SOCIAL WORK SERVICES

5.1 The projected net Social Care Covid spend is £5.592m for this year with the biggest elements of that being provider sustainability. It is expected that all Covid costs will be funded by the Scottish Government through the remobilisation plan. Assuming all Covid costs are covered by the Scottish Government there is a £0.690m projected overspend for core Social Work services. In line with previous practice it is expected that any year-end overspend would be covered by the IJB free reserve.

5.2 The Social Work budget includes agreed savings of £1.044m. £0.050m of this related to income growth which, as a result of the Covid-19 pandemic, is not expected to be realised in full. This has been reflected within this report and the Mobilisation Plan which captures all Covid related spend and underspends. The Mobilisation Plan is updated and submitted to the Scottish Government monthly. It is anticipated that the remaining savings will be delivered in full during the year.

5.3 The core social care forecast overspend has increased by £0.317m since the last report from a projected overspend of £0.373m to a projected overspend of £0.690m.

5.4 Appendix 2 contains details of the Social Work outturn position. The main projected variances are linked to Covid. Key projected social work budget variances which make up the projected core budget overspend, excluding Covid costs, include the following:

Main areas of underspend are:

- A projected underspend of £0.055m within Residential and Nursing Care client commitments as a result of a reduction in the number of beds, projecting at 525 beds for the remainder of the year. A further £0.5m of this has been allocated as an offsetting cost reduction in the Covid LMP.
- A £0.470m projected underspend within External Homecare based on the invoices received, projecting up to the end of the year together with a reduced adjustment of £0.040m, which reflects that service delivery will continue to increase.
- A projected underspend with respite service across Older Peoples Service of £0.159m.
- Additional turnover savings being projected across services of £0.066m.

Main areas of overspend are:

- A projected overspend of £0.616m within Learning Disability Client commitments, which is a reduction of £0.077m from the position reported to the last Committee, this is mainly due to a reduction in the need for respite service.
- Within Criminal Justice a £0.337m projected overspend as a result of shared

client package costs with Learning Disabilities. It is anticipated that these costs will reduce further in 2020/21 and this will be reported to the next Committee, once Officers are able to project with better certainty.

- A projected overspend of £0.552m in Children's Residential Placements, Foster, Adoption and Kinship after full utilisation of the smoothing Earmarked Reserve.

Due to agreed interim reporting changes within Inverclyde Council a detailed analysis of the social care variances has not been prepared by the Council for Period 9. This would normally be reported in Appendix 2a

6.0 HEALTH SERVICES

6.1 For Health, Covid spend is projected to be £2.142m for the year with the biggest elements of that being additional staffing costs and support agreed nationally for Hospices. The projected outturn for health services at 31 December is a breakeven as a result of £5.957m transferring to Earmarked Reserves (EMRs) as detailed in Appendix 3B. This transfer to EMRS has significantly increased since the previous report due to additional in year funding from February for: 2021/22 Covid costs; ADP; Action 15, and PCIP. There are further offsetting movements within the Health projection as follows:

- Mental Health – £0.882m projected overspend for the year comprised £1.165m overspend relating to Inpatients linked to additional staffing and locum costs, partially offset by a £0.283m projected underspend on MH community
- Management & Admin - £0.882m underspend, £0.239m of which relates to early savings delivery and the balance to delays in filling vacancies in-year.
- Appendix 3a details the planned transfers to Earmarked Reserves of £5.957m, £4.004m of which relates to additional ringfenced Scottish Government funding received in February 2021.

6.2 The total budget pressure for Health for 2020/21 was £1.924m which was covered in full by the 3% funding uplift.

6.3 Mental Health Inpatients

When it was originally established, the IJB inherited a significant budget pressure related to mental health inpatient services due to the high levels of special observations required in that area. Work has been ongoing locally to minimise this pressure. In addition, Mental Health provision across GG&C is under review and it is anticipated that this, together with local work, will address this budget pressure for this and future years.

6.4 At Period 9, the year to date net overspend on Mental Health is £0.488m.

6.5 The service has successfully addressed some elements of the historic overspend. This budget is closely monitored throughout the year and work will be done to ensure that the underlying budget is sufficient for core service delivery going forward.

6.6 Prescribing

Currently projected as in line with budget with £0.9m transferring to Earmarked Reserves. The final position for the year is still uncertain but any additional underspend will transfer to reserves. The underspend is due to an increase in tariff swap income for the year and prescribing volumes being lower than anticipated at the start of the year which is believed to be linked to the pandemic. The projection is based on latest advice from the prescribing teams. Any overall over or underspend on prescribing will be taken from or transferred to Reserves. It is proposed that £0.4m of the underspend this year is added to the existing Prescribing Smoothing Reserve to cover potential impacts of Brexit on this budget in 2021/22. The prescribing position will continue to be closely monitored

throughout the year.

6.7 To mitigate the risk associated with prescribing cost volatility, the IJB agreed as part of this and prior year budgets to invest additional monies into prescribing. However, due to the uncertain, externally influenced nature of prescribing costs, this remains an area of potential financial risk going forward. This year Covid-19 and Brexit have both added to the complexity around forecasting full year prescribing costs.

6.8 GP Prescribing remains a volatile budget; a drug going on short supply and the impacts of Covid and Brexit can have significant financial consequences.

6.9 Set Aside

- The Set Aside budget in essence is the amount “set aside” for each IJB’s consumption of large hospital services.
- Initial Set Aside base budgets for each IJB were based on their historic use of certain Acute Services including: A&E Inpatient and Outpatient, general medicine, Rehab medicine, Respiratory medicine and geriatric medicine.
- Legislation sets out that Integration Authorities are responsible for the strategic planning of hospital services most commonly associated with the emergency care pathway along with primary and community health care and social care.
- The Set Aside functions and how they are used and managed going forward are heavily tied in to the commissioning/market facilitation work that is ongoing

Work is continuing across GG&C around Unscheduled Care to further refine the Set Aside position within GG&C for each HSCP. Further updates will be brought to the IJB as available.

6.10 Alcohol & Drug Recovery Service (ADRS)

There is a underspend on ADRS across both Health and Social Care, this is directly linked to the delay in implementing the finalised Addictions Review linked to Covid which led to delays in filling posts and commissioning services.

7.0 VIREMENT AND OTHER BUDGET MOVEMENTS AND DIRECTIONS

7.1 Appendix 4 details the virements and other budget movements that the IJB is requested to note and approve. These changes have been reflected in this report. The Directions which are issued to the Health Board and Council require to be updated in line with these proposed budget changes. The updated Directions linked to these budget changes are shown in Appendix 5. These require both the Council and Health Board to ensure that all services are procured and delivered in line with Best Value principles.

8.0 TRANSFORMATION FUND

8.1 Transformation Fund

The Transformation Fund was set up at the end of 2018/19. The Fund has since been replenished from further year-end underspends. At the beginning of this financial year, the Fund balance was £2.045m. Spend against the plan is done on a bids basis through the Transformation Board. Appendix 6 details the current agreed commitments against the fund. At present there is £0.299m still uncommitted. Proposals with a total value in excess of £0.100m will require the prior approval of the IJB.

8.2 Social Care Records System/SWIFT Replacement

Within the Transformation Fund £0.597m has been approved as part of the funding package for the new Social Care Records System which replaces the current SWIFT system. It is proposed to now transfer this funding and associated costs

from the Transformation Fund to a dedicated EMR for this project.

9.0 CURRENT CAPITAL POSITION - nil Variance

9.1 The Social Work capital budget is £10.574m over the life of the projects with £0.147m budgeted to be spent in 2020/21. The overall budget includes the £0.501m IJB commitment to fund part of the replacement Social Care Records Management system.

9.2 Crosshill Children's Home:

- The former Neil Street Children's Home is in use as temporary decant accommodation for the Crosshill residents.
- The demolition of the existing Crosshill building was completed in Autumn 2018. Main contract works commenced on site in October 2018.
- As previously reported the contract had experienced delays on site and was behind programme. The Main Contractor (J.B. Bennett) ceased work on site on 25th February 2020 and subsequently entered administration. The site was secured with arrangements made to address temporary works to protect the substantially completed building.
- Following contact with the Administrators it was confirmed that the Council would require to progress a separate completion works contract to address the outstanding works. A contract termination notice has been issued for the original contract.
- Tenders were issued for the completion works in late December 2020 and are due for return mid-February 2021.
- A revised programme to completion will be advised post tender return and upon completion of evaluation.

9.3 New Learning Disability Facility

The project involves the development of a new Inverclyde Community Learning Disability Hub. The new hub will support and consolidate development of the new service model and integration of learning disability services with the wider Inverclyde Community in line with national and local policy. The February 2020 Health & Social Care Committee approved the business case, preferred site (former Hector McNeil Baths) and funding support for the project with allocation of resources approved by the Inverclyde Council on 12 March 2020. The Covid-19 situation impacted the ability to progress the project with the construction industry phased re-start only approved as of mid-June 2020 and with the supply chain and consultants return from furlough. The progress to date is summarised below:

- Additional site information and survey work substantially complete. Further surveys to be planned at the appropriate stage of the design progression.
- Space planning and accommodation schedule interrogation work continues to be progressed through Technical Services and the Client Service to inform outline design in preparation for wider stakeholder consultation.
- Tenders for Design Consultants have been returned and evaluated.
- Work through Legal Services in connection with the re-appropriation of the Hector McNeil site is progressing with the drafting of the court action required for the next stage of the legal process.

9.4 Swift Upgrade

The project involves the replacement of the current Swift system. In March the Council and IJB approved initial spend of £0.843m for the system, £0.6m from the Council and £0.243m from prudential borrowing funded by the IJB. In September the IJB agreed to increase its contribution to £0.501m, with the additional funds coming from the IJB Transformation Fund into a new Social Care Records System

EMR. There was a delay going out to tender because of a legal challenge against Scotland Excel and the Covid-19 pandemic. The tender process is now recommencing and it is anticipated the project will be complete by 2023.

9.5 Port Glasgow Health Centre Car Park

Work is being commissioning on the car park at Port Glasgow Health Centre to address issues around the raised flower beds and the height differential between the NHS and Council carparks at the site. Confirmed cost is £26.4k which is being funded in year from the IJB EMR for Capital Projects. It is anticipated that the work will be concluded in 2020/21.

9.6 New Greenock Health & Care Centre

Work on the new Greenock Health and Care Centre on Wellington Street is nearing completion. The contractor is due to hand over the building mid March, thereafter there will be a 6-8 week commissioning period. A detailed transfer schedule has been developed in conjunction with the services moving to the new building to facilitate all services moving in over May and early June 2021.

10.0 EARMARKED RESERVES

10.1 The IJB holds a number of Earmarked and Unearmarked Reserves; these are managed in line with the IJB Reserves Policy.

- Total Earmarked Reserves available at the start of this financial year were £7.709m, with £0.741m in Unearmarked Reserves, giving a total Reserve of £8.450m.
- To date at Period 9, £12.052m of new reserves are expected in year (an increase of £4.256m since the last report due mainly to addition monies from Scottish Government for Covid and other ringfenced projects in February 2021).
- £5.996m of the reserves funding has been spent in the year to date.
- Projected carry forward at the yearend is £11.303m.
- Spend on many EMR funded projects has slowed this year as a result of the pandemic.
- The projected movement in reserves for the year is an increase in reserves of £2.853m – (P7 report reflected anticipated use of reserves of £1.211m – the £4.080m swing is due to additional funding from Scottish Government confirmed in February 2021).
- Appendix 8 shows all reserves under the following categories:

	Opening Balance	New Funds in Year	Spend to Date	Projected C/fwd
Ear-Marked Reserves				
Scottish Government Funding - funding ringfenced for specific initiatives	749	8,539	4,248	4,004
Existing Projects/Commitments - many of these are for projects that span more than 1 year	3,259	2,284	1,151	3,471
Transformation Projects - non recurring money to deliver transformational change	2,853	775	543	2,854
Budget Smoothing - monies held as a contingency for specific volatile budgets such as Residential Services and Prescribing to smooth out in year one off pressures	848	454	54	923
TOTAL Ear-Marked Reserves	7,709	12,052	5,996	11,252
General Reserves	741	0	0	741
In Year Surplus/(Deficit) going to/(from) reserves	0	0	0	(690)
TOTAL Reserves	8,450	12,052	5,996	11,303
Projected Movement (use of)/transfer in to Reserves				2,853

10.2 At its January meeting the IJB Audit Committee considered a report outlining the nature and use of the existing IJB Reserves. The Committee agreed at that time

that it would be beneficial if this report was shared with the wider IJB. An extract from that report is enclosed at Appendix B, the full report is available within the published IJB Audit Committee papers on the Inverclyde Council website.

11.0 STATUTORY ACCOUNTS COMPREHENSIVE INCOME & EXPENDITURE STATEMENT (CIES) AND KEY ASSUMPTIONS WITHIN THE P9 FORECAST

11.1 The creation and use of reserves during the year, while not impacting on the operating position, will impact the year-end CIES outturn. For 2020/21, it is anticipated that as a portion of the brought forward £8.450m and any new Reserves are used the CIES will reflect a surplus. At Period 9, that CIES surplus is projected to be the same as the projected movement in reserves detailed in Paragraph 10.1 above and Appendix 8.

11.2 Key Assumptions within the P9 Forecast

- These forecasts are based on information provided from the Council and Health Board ledgers
- The social care forecasts for core budgets and Covid spend are based on information provided by Council finance staff which have been reported to the Council's Health & Social Care Committee and provided for the Covid LMP returns.
- Prescribing forecasts are based on advice from the Health Board prescribing team using the latest available actuals and horizon scanning techniques.
- Additional salary awards agreed in year – the forecast does not include costs or the assumed income for either the £500 bonus payment agreed for 2020/21 or the early payment of the initial 2021/22 pay award which was announced 24 February 2021.

Payments are still being agreed and processed so actual costs are not yet known and it is understood that this will be fully funded by Scottish Government so while it will impact individual service expenditure lines it will have no impact on the bottom line for the IJB for the year.

High level estimates of the cost indicate that:

- the £500 pro rata for each HSCP staff member is estimated to cost around £828k, depending on final agreement nationally around eligibility criteria
- the early payment of the 2021/22 pay award for Health staff backdated to 1 December 2020 is estimated to cost around £121k again depending on eligibility
- Accounting Treatment of some Covid costs - There is an ongoing national debate regarding the accounting treatment of some Covid related costs in year. For the IJB the most significant of these relates to the treatment of the Provider Sustainability Payments and whether the IJB's are acting as agent or principal in relation to these payments.
 - LASACC has been asked for an urgent view of the matter.
 - At present the accounting treatment for the majority of IJBs assumes the IJB is acting as principal and on that basis the IJB's can carry forward any unspent funding at the end of the year.
 - If it is agreed that the IJB is acting as agent the IJB will be unable to carry any unspent monies forward and this will impact on the current forecasts in relation to Covid spend and the associated EMR.
- Capital Payment EMR – timing of some of this spend is still uncertain as for 2020/21 much of it relates to a handful of HSCP funded elements of the new Greenock Health Centre. Within this report £75k is forecast to be spent this financial year, due to timings of this and other projects the final outturn might be a little higher or lower but is covered within the overall reserve balance.

12.0 DIRECTIONS

12.1 Direction Required to Council, Health Board or Both	Direction to:	
	1. No Direction Required	
	2. Inverclyde Council	
	3. NHS Greater Glasgow & Clyde (GG&C)	
	4. Inverclyde Council and NHS GG&C	X

13.0 IMPLICATIONS

13.1 FINANCE

All financial implications are discussed in detail within the report above.

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments
N/A					

Annually Recurring Costs / (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact £000	Virement From	Other Comments
N/A					

LEGAL

13.2 There are no specific legal implications arising from this report.

HUMAN RESOURCES

13.3 There are no specific human resources implications arising from this report.

EQUALITIES

13.4 There are no equality issues within this report.

Has an Equality Impact Assessment been carried out?

	YES (see attached appendix)
√	NO – This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required.

13.5 How does this report address our Equality Outcomes?

There are no Equalities Outcomes implications within this report.

Equalities Outcome	Implications
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People, including individuals from the above protected characteristic groups, can access HSCP services.	None
Discrimination faced by people covered by the protected characteristics across HSCP services is reduced if not eliminated.	None
People with protected characteristics feel safe within their communities.	None
People with protected characteristics feel included in the planning and developing of services.	None
HSCP staff understand the needs of people with different protected characteristic and promote diversity in the work that they do.	None
Opportunities to support Learning Disability service users experiencing gender based violence are maximised.	None
Positive attitudes towards the resettled refugee community in Inverclyde are promoted.	None

13.6 CLINICAL OR CARE GOVERNANCE IMPLICATIONS

There are no governance issues within this report.

13.7 NATIONAL WELLBEING OUTCOMES

How does this report support delivery of the National Wellbeing Outcomes

There are no National Wellbeing Outcomes implications within this report.

National Wellbeing Outcome	Implications
People are able to look after and improve their own health and wellbeing and live in good health for longer.	None
People, including those with disabilities or long term conditions or who are frail are able to live, as far as reasonably practicable, independently and at home or in a homely setting in their community	None
People who use health and social care services have positive experiences of those services, and have their dignity respected.	None
Health and social care services are centred on helping to maintain or improve the quality of life of people who use those services.	None
Health and social care services contribute to reducing health inequalities.	None
People who provide unpaid care are supported to look after their own health and wellbeing, including reducing any negative impact of their caring role on their own health and wellbeing.	None
People using health and social care services are safe from harm.	None
People who work in health and social care services feel engaged with the work they do and are supported to continuously improve the information, support, care and treatment they provide.	None
Resources are used effectively in the provision of health and social care services.	Effective financial monitoring processes ensure resources are used in line with the

	Strategic Plan to deliver services efficiently
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14.0 CONSULTATION

14.1 This report has been prepared by the IJB Chief Financial Officer. The Chief Officer, the Council's Chief Financial Officer and Director of Finance NHSGGC have been consulted.

15.0 BACKGROUND PAPERS

15.1 None.

INVERCLYDE HSCP**REVENUE BUDGET 2020/21 PROJECTED POSITION****PERIOD 9: 1 April 2020 - 31 December 2020**

SUBJECTIVE ANALYSIS	Budget 2020/21 £000	Revised Budget 2020/21 £000	Projected Out-turn 2020/21 £000	Projected Over/(Under) Spend £000	Percentage Variance
Employee Costs	52,285	57,072	58,787	1,715	3.0%
Property Costs	1,095	1,108	1,306	198	17.9%
Supplies & Services	49,969	56,522	61,633	5,111	9.0%
Family Health Services	25,973	28,870	28,870	0	0.0%
Prescribing	18,535	18,508	18,508	0	0.0%
Transfer from / (to) Reserves	0	(6,073)	(6,073)	0	0.0%
Income	(3,970)	(5,532)	(6,889)	(1,357)	24.5%
Covid Funding	0	0	(4,977)	(4,977)	0.0%
HSCP NET DIRECT EXPENDITURE	143,887	150,475	151,165	690	0.5%
Set Aside	23,956	27,651	27,651	0	0.0%
HSCP NET TOTAL EXPENDITURE	167,843	178,126	178,816	690	0.4%

OBJECTIVE ANALYSIS	Budget 2020/21 £000	Revised Budget 2020/21 £000	Projected Out-turn 2020/21 £000	Projected Over/(Under) Spend £000	Percentage Variance
Strategy & Support Services	2,095	2,253	2,250	(3)	-0.1%
Older Persons	30,253	30,842	33,691	2,849	9.2%
Learning Disabilities	12,241	12,334	12,871	537	4.4%
Mental Health - Communities	6,833	7,461	7,216	(245)	-3.3%
Mental Health - Inpatient Services	9,051	9,343	10,508	1,165	12.5%
Children & Families	14,013	14,606	16,037	1,431	9.8%
Physical & Sensory	3,009	2,916	3,035	119	4.1%
Alcohol & Drug Recovery Service	3,490	4,149	3,949	(200)	-4.8%
Assessment & Care Management / Health & Community Care	9,867	18,303	18,233	(70)	-0.4%
Support / Management / Admin	6,318	5,624	4,674	(950)	-16.9%
Criminal Justice / Prison Service **	0	63	373	310	0.0%
Homelessness	1,095	1,097	1,821	724	66.0%
Family Health Services	25,973	28,862	28,862	0	0.0%
Prescribing	18,744	18,696	18,696	0	0.0%
Contribution to Reserves	0	(6,073)	(6,073)	0	0.0%
Covid Funding	0	0	(4,977)	(4,977)	0.0%
Unallocated Funds	905	0	0	0	0.0%
HSCP NET DIRECT EXPENDITURE	143,887	150,475	151,165	690	0.5%
Set Aside	23,956	27,651	27,651	0	0.0%
HSCP NET TOTAL EXPENDITURE	167,843	178,126	178,816	690	0.4%
FUNDED BY					
NHS Contribution to the IJB	91,598	104,455	104,455	0	0.0%
NHS Contribution for Set Aside	23,956	27,651	27,651	0	0.0%
Council Contribution to the IJB	52,289	52,093	52,093	0	0.0%
Transfer from / (to) Reserves	0	(6,073)	(5,383)	690	0.0%
HSCP NET INCOME	167,843	178,126	178,816	690	0.4%
HSCP OPERATING SURPLUS/(DEFICIT)	0	0	0	0	0.0%
Anticipated movement in reserves ***	(3,036)	2,137	2,853		
HSCP ANNUAL ACCOUNTS REPORTING SURPLUS/(DEFICIT)	(3,036)	2,137	2,853		

** Fully funded from external income hence nil bottom line position.

*** See Reserves Analysis for full breakdown

INVERCLYDE HSCP**REVENUE BUDGET 2020/21 PROJECTED POSITION****Movement since last report**

OBJECTIVE ANALYSIS	Previous Projected Outturn 2020/21 £000	Current Projected Outturn 2020/21 £000	Increase/ (Decrease) in projected spend since last report £000	Notes
Strategy & Support Services	2,209	2,250	41	Back on target to spend agreed budget
Older Persons	33,162	33,691	529	Movement in Covid forecast
Learning Disabilities	12,945	12,871	(74)	Reduction in respite services spend
Mental Health - Communities	6,920	7,216	296	Additional Action 15 funding from Feb 2021 and recruitment issues leading to additional locum spend and covid cost
Mental Health - Inpatient Services	10,105	10,508	403	
Children & Families	16,123	16,037	(86)	Decreased overspend
Physical & Sensory	3,038	3,035	(3)	
Alcohol & Drug Recovery Service	3,582	3,949	367	Additional ADP funding from Feb 2021
Assessment & Care Management / Health & Community Care	15,496	18,233	2,737	Additional Covid Funding from Feb 2021
Support / Management / Admin	5,060	4,674	(386)	Movement in Covid forecast and delay in filling vacancies
Criminal Justice / Prison Service **	380	373	(7)	
Homelessness	1,823	1,821	(2)	
Family Health Services	28,201	28,862	661	Additional in year funding and spend
Prescribing	18,696	18,696	0	
Contribution to Reserves	(1,914)	(6,073)	(4,159)	Additional Covid, PCIP, Action 15 and ADP funding received late in year, Health service underspends and LD Hub
Covid-19 Unallocated & Unfunded costs (net)	(4,977)	(4,977)	0	
Unallocated Funds	0	0	0	
HSCP NET DIRECT EXPENDITURE	150,848	151,165	317	
Set Aside	27,651	27,651	0	
HSCP NET TOTAL EXPENDITURE	178,499	178,816	317	

INVERCLYDE HSCP - COVID 19**REVENUE BUDGET 2020/21 PROJECTED POSITION****PERIOD 9: 1 April 2020 - 31 December 2020**

SUBJECTIVE ANALYSIS - COVID 19 based on November 2020 Mobilisation Plan submission and confirmed funding	Social Care Projected Out-turn 2020/21 £000	Health Projected Out-turn 2020/21 £000	TOTAL Projected Out-turn 2020/21 £000
Employee Costs	1,306	945	2,250
Property Costs	1	1	2
Supplies & Services	4,042	1,196	5,238
Family Health Services			0
Prescribing		0	0
Loss of Income	243		243
PROJECTED COVID RELATED NET SPEND	5,592	2,142	7,734

Summarised Mobilisation Plan	Social Care	Health	Revenue
H&SCP Costs	2020/21	2020/21	2020/21 £000
Delayed Discharge Reduction- Additional Care Home Beds	374		374
Personal protection equipment	499	29	528
Deep cleans	1	1	2
Additional staff Overtime and Enhancements	20	39	59
Additional temporary staff spend - Student Nurses & AHP		391	391
Additional temporary staff spend - Health and Support Care Workers	197	189	386
Additional costs for externally provided services (including PPE)	3,304		3,304
Social Care Support Fund- Costs for Children & Families Services	1,089		1,089
Mental Health Services		87	87
Additional payments to FHS contractors		340	340
Community Hubs		448	448
Loss of income	218		218
Other- Revenue Equipment and Supplies	75	173	248
Other- Homelessness and Criminal Justice	688		688
Hospices		396	396
Staffing support, including training & staff wellbeing	3		3
Winter Planning (Flu Vaccinations)	-	49	49
Offsetting savings - HSCP	(900)	-	(900)
Expected underachievement of savings (HSCP)	25		25
Total	5,592	2,142	7,734

SOCIAL CARE**REVENUE BUDGET 2020/21 PROJECTED POSITION****PERIOD 9: 1 April 2020 - 31 December 2020**

SUBJECTIVE ANALYSIS	Budget 2020/21 £000	Revised Budget 2020/21 £000	Projected Out-turn 2020/21 £000	Projected Over/(Under) Spend £000	Percentage Variance
SOCIAL CARE					
Employee Costs	28,573	29,941	30,774	833	2.8%
Property costs	1,090	1,103	1,301	198	18.0%
Supplies and Services	860	931	1,245	314	33.7%
Transport and Plant	376	376	282	(94)	-25.0%
Administration Costs	755	783	773	(10)	-1.3%
Payments to Other Bodies	41,285	41,269	47,052	5,783	14.0%
Resource Transfer	(16,723)	(18,294)	(18,294)	0	0.0%
Income	(3,927)	(4,016)	(5,373)	(1,357)	33.8%
Covid Funding		0	(4,977)	(4,977)	0.0%
Transfer to Earmarked Reserves		(116)	(116)	0	0.0%
SOCIAL CARE NET EXPENDITURE	52,289	51,977	52,667	690	1.3%

OBJECTIVE ANALYSIS	Budget 2020/21 £000	Revised Budget 2020/21 £000	Projected Out-turn 2020/21 £000	Projected Over/(Under) Spend £000	Percentage Variance
SOCIAL CARE					
Strategy & Support Services	1,590	1,722	1,719	(3)	-0.2%
Older Persons	30,253	30,842	33,691	2,849	9.2%
Learning Disabilities	11,732	11,783	12,320	537	4.6%
Mental Health	3,654	3,695	3,733	38	1.0%
Children & Families	10,766	10,932	12,363	1,431	13.1%
Physical & Sensory	3,009	2,916	3,035	119	4.1%
Alcohol & Drug Recovery Service	1,799	1,771	1,571	(200)	-11.3%
Business Support	2,788	2,861	2,793	(68)	-2.4%
Assessment & Care Management	2,326	2,706	2,636	(70)	-2.6%
Criminal Justice / Scottish Prison Service	0	63	373	310	0.0%
Resource Transfer	(16,723)	(18,294)	(18,294)	0	0.0%
Homelessness	1,095	1,097	1,821	724	66.0%
Covid Funding	0	0	(4,977)	(4,977)	0.0%
Transfer to Earmarked Reserves		(116)	(116)	0	0.0%
SOCIAL CARE NET EXPENDITURE	52,289	51,977	52,667	690	1.3%

COUNCIL CONTRIBUTION TO THE IJB	Budget 2020/21 £000	Revised Budget 2020/21 £000	Projected Out-turn 2020/21 £000	Projected Over/(Under) Spend £000	Percentage Variance
Council Contribution to the IJB	52,289	52,093	52,093	0	
Transfer from / (to) Reserves	0	(116)	574	690	

HEALTH**REVENUE BUDGET 2020/21 PROJECTED POSITION****PERIOD 9: 1 April 2020 - 31 December 2020**

SUBJECTIVE ANALYSIS	Budget 2020/21 £000	Revised Budget 2020/21 £000	Projected Out-turn 2020/21 £000	Projected Over/(Under) Spend £000	Percentage Variance
HEALTH					
Employee Costs	23,712	27,131	28,013	882	3.3%
Property	5	5	5	0	0.0%
Supplies & Services	6,693	13,163	12,281	(882)	-6.7%
Family Health Services (net)	25,973	28,870	28,870	0	0.0%
Prescribing (net)	18,535	18,508	18,508	0	0.0%
Resource Transfer	16,723	18,294	18,294	0	0.0%
Income	(43)	(1,516)	(1,516)	0	0.0%
Transfer to Earmarked Reserves	0	(5,957)	(5,957)	0	0.0%
HEALTH NET DIRECT EXPENDITURE	91,598	98,498	98,498	0	0.0%
Set Aside	23,956	27,651	27,651	0	0.0%
HEALTH NET DIRECT EXPENDITURE	115,554	126,149	126,149	0	0.0%

OBJECTIVE ANALYSIS	Budget 2020/21 £000	Revised Budget 2020/21 £000	Projected Out-turn 2020/21 £000	Projected Over/(Under) Spend £000	Percentage Variance
HEALTH					
Children & Families	3,247	3,674	3,674	0	0.0%
Health & Community Care	7,541	15,597	15,597	0	0.0%
Management & Admin	3,530	2,763	1,881	(882)	-31.9%
Learning Disabilities	509	551	551	0	0.0%
Alcohol & Drug Recovery Service	1,691	2,378	2,378	0	0.0%
Mental Health - Communities	3,179	3,766	3,483	(283)	-7.5%
Mental Health - Inpatient Services	9,051	9,343	10,508	1,165	12.5%
Strategy & Support Services	505	531	531	0	0.0%
Family Health Services	25,973	28,862	28,862	0	0.0%
Prescribing	18,744	18,696	18,696	0	0.0%
Unallocated Funds/(Savings)	905	0	0	0	0.0%
Transfer from / (to) Reserves	0	(5,957)	(5,957)	0	0.0%
Resource Transfer	16,723	18,294	18,294	0	0.0%
HEALTH NET DIRECT EXPENDITURE	91,598	98,498	98,498	0	0.0%
Set Aside	23,956	27,651	27,651	0	0.0%
HEALTH NET DIRECT EXPENDITURE	115,554	126,149	126,149	0	0.0%

HEALTH CONTRIBUTION TO THE IJB	Budget 2020/21 £000	Revised Budget 2020/21 £000	Projected Out-turn 2020/21 £000	Projected Over/(Under) Spend £000	Percentage Variance
NHS Contribution to the IJB	115,554	132,106	132,106	0	
Transfer from / (to) Reserves	0	(5,957)	(5,957)	0	

HEALTH**REVENUE BUDGET 2020/21 PROJECTED POSITION****PERIOD 9: 1 April 2020 - 31 December 2020**

Significant Projected Variances	Over/ (Underspend) £000	Notes
MH Adult Inpatients	1,165	Overspend offset non recurringly by planned underspends on MH Community underspend, additional MH funding agreed at Jan 2020 IJB and early delivery of prior year Management & Admin saving along with £122k funded through the MH Transformation Fund
MH Adult Community	(283)	
Management & Admin	(882)	Saving agreed but not required for 19/20 £239k when the Health uplift was increased after the budget was set. Agreed to keep it to cover other pressures eg MH Inpatients. Balance from underspend due to delay in filling vacancies
Sub Total Over/(Under)spend	0	

Proposed transfers from the following services to Earmarked Reserves in year	Over/ (Underspend) £000	Notes
Alcohol & Drug Recovery Service	(238)	Delay in filling vacancies pending Review being finalised plus additional ADP money confirmed in Feb 21
Adult Community	(538)	Delay in filling vacancies £85k in Rehab rest small amounts across various teams
Children's Services	(262)	Delay in filling vacancies plus additional funding received in year
Learning Disabilities	(56)	Delay in filling vacancies
Business Support	(99)	£89k of this is earmarked for the new Health Centre rest is delay in filling vacancies
PHI & Strategy	(135)	Vacancies eg OD post not filled
GP Premises Improvement	(25)	New money no spend to date
Scot Govt Funded Projects	(1,214)	PCIP, Action 15, ADP - Funding committed but not yet drawn down was received against all of these funds in Feb 2021
Covid Funding	(2,490)	Additional funding received in Feb 2021 for 21/22 covid costs
Prescribing	(900)	Still awaiting info re Brexit impact and final projections. Projection based on latest available data. Underspend due to tariff swap income increasing in year and prescribing volumes reducing
Transfer to Reserves	5,957	Balance of underspends transferred to EMRs as outlined below
TOTAL Over/(Under)spend	(0)	

Proposed Health EMR In Year Allocations

Scot Govt Funded Projects EMRs		
PCIP	505	These funds are ringfenced by Scottish Govt. In February 2021 additional funding was received for each of these funds including significant funding against future Covid costs with the expectation that IJBs would ringfence and carry these funds forward.
ADP	431	
Action 15	278	
Community Living Charge	300	
Covid 19	2,490	
Other EMRs		
MH Transformation	300	Funding for MH services to support 5 year strategy and local MH planning. This will take the total fund to £0.620m or 3.7% of the current revenue budget
Staff Learning & Development Fund	204	The IJB agreed to put aside these funds from in year turnover savings to provide £100k of funding for the Staff Learning & Development Funding and the year 2 funding for the District Nursing Training Programme agreed in June 2020
Supplementary Fixed Term Staffing Fund	400	Transfer from turnover savings to create a fund to cover any short term shortfalls in additional external funding for fixed term posts eg Covid posts in the event that LMP funding does not cover the balance
Homelessness	200	Funding to support delivery of the Rapid Rehousing Transition Plan over the next 2 years
Primary Care Support	25	Projected underspend on GP premises funding received in year
Prescribing Smoothing Reserve	400	Prescribing underspend budget smoothing reserve for this volatile budget through the first year of Brexit to help reduce requirement for recurrent budget funding. This will create a total smoothing reserve of £0.7m or 3.7% of the current revenue budget
Addictions Review	94	Additional funding to support recovery pathway element of Addictions Review
Children & Families Residential Services	250	An additional reserve created to complement the additional one off monies Inverclyde Council is putting in for 2021/22 for C&F and LD services totalling £0.7m
Transformation Fund	80	Balance of funding to replenish the Transformation Fund and support future tests of change and service redesigns
	5,957	

Budget Movements 2020/21

Appendix 4

Inverclyde HSCP Service	Approved Budget		Movements			Transfers (to)/ from Earmarked Reserves £000	Revised Budget
	2020/21 £000	Inflation £000	Virement £000	Supplementary Budgets £000	2020/21 £000		
Children & Families	14,013	0	371	222	0	14,606	
Criminal Justice	0	0	0	63	0	63	
Older Persons	30,253	0	589	0	0	30,842	
Learning Disabilities	12,241	0	197	12	(116)	12,334	
Physical & Sensory	3,009	0	(93)	0	0	2,916	
Assessment & Care Management/ Health & Community Care	9,867	0	(802)	9,238	0	18,303	
Mental Health - Communities	6,833	0	152	476	0	7,461	
Mental Health - In Patient Services	9,051	0	314	(22)	0	9,343	
Alcohol & Drug Recovery Service	3,490	0	(15)	674	0	4,149	
Homelessness	1,095	0	2	0	0	1,097	
Strategy & Support Services	2,095	0	101	57	0	2,253	
Management, Admin & Business Support	6,318	0	(876)	182	0	5,624	
Family Health Services	25,973	0	330	2,559	0	28,862	
Prescribing	18,744	0	743	(791)	0	18,696	
Resource Transfer	0	0	0	0	0	0	
Unallocated Funds *	905	0	(905)	0	0	0	
Totals	143,887	0	107	12,670	(116)	156,548	

* Unallocated Funds are budget pressure monies agreed as part of the budget which at the time of setting had not been applied across services eg pay award etc

Virement Analysis

	Increase Budget £000	(Decrease) Budget £000
Budget Virements since last report		
Budget Virements agreed in previous reports	5,723	5,723
Social Care Budget - Reallocation to cover Children's Services Residential Costs		
	5,723	5,723

Supplementary Budget Movement Detail

£000

£000

Criminal Justice		63
Additional in year CJ Funding	63	
Children & Families		222
Non recurring Outline Framework funding CAMHS	200	
Non Recurring Breastfeeding funding	30	
Minor funding realignments	(8)	
Alcohol & Drugs Recovery Service		674
ADP Funding 2020/21	596	
Non recurring Drug Death Taskforce funding	78	
Health & Community Care		9,238
Additional SG funding for Hospices partially offset by RT adjust	326	
Non recurring adjustment	790	
PCIP Baseline Pharmacy Funding	146	
Covid 19 funding	7,019	
Dementia Care Coordinator - Non recurring funding	54	
PCIP Tranche 2 funding	903	
Learning Disabilities		12
Transfer of Non recurring funding from East Ren HSCP	12	
Mental Health - Communities		476
Action 15 funding 2020/21	515	
Transfer to Central Liaison Team	(39)	
Mental Health - Inpatient Services		(22)
Transfer to Central Liaison Team and other minor adjustments	(22)	
Strategy & Support Services		57
Non recurring funding for Eat Up project and Tobacco Prevention	57	
Management & Admin		182
Balance of uplift	407	
GP Premises funding	25	
Transfer to SIMD Deprivation Fund withing Inverclyde Council	(250)	
Prescribing		(791)
Tariff Reduction	(791)	
Family Health Services		2,559
Non Cash Limited Budget Adjustment	1,710	
Additional in year non recurring FHS funding	849	
		12,670

INVERCLYDE INTEGRATION JOINT BOARD

DIRECTION

ISSUED UNDER S26-28 OF THE PUBLIC BODIES (JOINT WORKING)
 (SCOTLAND) ACT 2014

THE INVERCLYDE COUNCIL is hereby directed to deliver for the Inverclyde Integration Joint Board (the IJB), the services noted below in pursuance of the functions noted below and within the associated budget noted below.

Services will be provided in line with the IJB's Strategic Plan and existing operational arrangements pending future directions from the IJB. All services must be procured and delivered in line with Best Value principles.

Services: All services listed in Annex 2, Part 2 of the Inverclyde Health and Social Care Partnership Integration Scheme.

Functions: All functions listed in Annex 2, Part 1 of the Inverclyde Health and Social Care Partnership Integration Scheme.

Associated Budget:

SUBJECTIVE ANALYSIS	Budget 2020/21 £000
SOCIAL CARE	
Employee Costs	29,941
Property costs	1,103
Supplies and Services	931
Transport and Plant	376
Administration Costs	783
Payments to Other Bodies	41,269
Income (incl Resource Transfer)	(22,310)
Social Care Transfer to EMR	(116)
SOCIAL CARE NET EXPENDITURE	51,977
Health Transfer to EMR	(5,957)

OBJECTIVE ANALYSIS	Budget 2020/21 £000
SOCIAL CARE	
Strategy & Support Services	1,722
Older Persons	30,842
Learning Disabilities	11,783
Mental Health	3,695
Children & Families	10,932
Physical & Sensory	2,916
Alcohol & Drug Recovery Service	1,771
Business Support	2,861
Assessment & Care Management	2,706
Criminal Justice / Scottish Prison	63
Change Fund	0
Homelessness	1,097
Social Care Transfer to EMR	(116)
Resource Transfer	(18,294)
SOCIAL CARE NET EXPENDITURE	51,977

This direction is effective from 29 March 2021.

INVERCLYDE INTEGRATION JOINT BOARD

DIRECTION

ISSUED UNDER S26-28 OF THE PUBLIC BODIES (JOINT WORKING)
(SCOTLAND) ACT 2014

GREATER GLASGOW & CLYDE NHS HEALTH BOARD is hereby directed to deliver for the Inverclyde Integration Joint Board (the IJB), the services noted below in pursuance of the functions noted below and within the associated budget noted below.

Services will be provided in line with the IJB's Strategic Plan and existing operational arrangements pending future directions from the IJB. All services must be procured and delivered in line with Best Value principles.

Services: All services listed in Annex 1, Part 2 of the Inverclyde Health and Social Care Partnership Integration Scheme.

Functions: All functions listed in Annex 1, Part 1 of the Inverclyde Health and Social Care Partnership Integration Scheme.

Associated Budget:

SUBJECTIVE ANALYSIS	Budget 2020/21 £000
HEALTH	
Employee Costs	27,131
Property costs	5
Supplies and Services	13,163
Family Health Services (net)	28,870
Prescribing (net)	18,508
Resources Transfer	18,294
Unidentified Savings	0
Income	(1,516)
Transfer to EMR	(5,957)
HEALTH NET DIRECT EXPENDITURE	98,498
Set Aside	27,651
NET EXPENDITURE INCLUDING SCF	126,149

OBJECTIVE ANALYSIS	Budget 2020/21 £000
HEALTH	
Children & Families	3,674
Health & Community Care	15,597
Management & Admin	2,763
Learning Disabilities	551
Alcohol & Drug Recovery Service	2,378
Mental Health - Communities	3,766
Mental Health - Inpatient Services	9,343
Strategy & Support Services	531
Family Health Services	28,862
Prescribing	18,696
Unallocated Funds/(Savings)	0
Transfer to EMR	(5,957)
Resource Transfer	18,294
HEALTH NET DIRECT EXPENDITURE	98,498
Set Aside	27,651
NET EXPENDITURE INCLUDING SCF	126,149

This direction is effective from 29 March 2021.

INVERCLYDE HSCP
TRANSFORMATION FUND
PERIOD 9: 1 April 2020 - 31 December 2020

Total Fund at 31/03/20	2,045,000
Balance Committed to Date*	1,746,223
Balance Still to be Committed	298,777

Current Projects List

*Balance Committed to Date excludes commitments funded in previous financial years

Ref	Project Title	Service Area	Approved IJB/TB	Date Approved	Updated Agreed Funding	Spend to date	Balance to spend
008	Sheltered Housing Support Services Review	Health & Community Care	TB	27/09/18	59,370	45,706	13,664
009	Equipment Store Stock system - £50k capital plus 1.5 yrs revenue costs up to £20k in total	ICIL	TB	09/01/19	70,000	0	70,000
010	TEC Reablement & Support to live independently. 6 month extension of H Grade post approved.	Homecare	TB	09/01/19	22,340	17,910	4,430
012	Long Term Conditions Nurses - 2 x 1wte Band 5 nurses to cover Diabetes, COPD and Hyper-tension for a fixed term of one year.	Community Nursing	IJB	29/01/19	129,300	115,500	13,800
013	Match Funding for CORRA bid to pilot 7 day Addictions Services	Addictions	IJB	29/01/19	150,000	0	150,000
014	Localities Engagement Officer - 2 years	Strategy & Support Services	IJB	27/03/19	121,000	89,922	31,078
015	Young Persons Engagement Officer 18 mths Big Actions 1 & 2	Children's Services	TB	27/03/19	51,100	27,800	23,300
018	CAMHS - Tier 3 service development - for 3 years	Children & Families	IJB	24/06/19	150,000	68,601	81,399
020	Legal Support - Commissioning £85k over 2 years. Approved 1 year initially.	Quality & Development	TB	01/05/19	42,500	15,092	27,408
024	Temp HR advisor for 18 months to support absence management process and occupational health provision within HSCP.	Strategy & Support Services	TB	26/06/19	66,000	44,874	21,126
027	Autism Clinical/Project Therapist	Specialist Children's Services	TB	28/08/19	90,300	60,200	30,100
028	Strategic Commissioning Team - progressing the priorities on the Commissioning List.	Strategy & Support Services	IJB	10/09/19	200,000	43,434	156,566
030	Care Navigator Posts - Hard Edges report	Homelessness	IJB	17/03/20	100,000	1,620	98,380
031	Proud2Care - 18 months	Health & Community Care	IJB	23/06/20	110,000	0	110,000

Ref	Project Title	Service Area	Approved IJB/TB	Date Approved	Updated Agreed Funding	Spend to date	Balance to spend
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SWIFT Replacement Project - moved from Transformation Fund to separate EMR in IJB Accounts

022	SWIFT replacement project - extension of Project Manager contract by one year and employ fixed term Project Assistant for one year plus additional 12 mth extension agreed by IJB Sept 2020	Performance & Info	TB	26/06/19	225,240	103,200	122,040
032	SWIFT - deferred P&I Team Saving	Performance & Info	IJB	17/03/20	114,000	0	114,000
033	SWIFT - additional costs of Option 3 for replacement system	Performance & Info	IJB	21/09/20	258,000	0	258,000
					597,240	103,200	494,040

APPENDIX 7

INVERCLYDE HSCP - CAPITAL BUDGET 2020/21

PERIOD 9: 1 April 2020 - 31 December 2020

<u>Project Name</u>	<u>Est Total Cost</u> £000	<u>Actual to 31/3/20</u> £000	<u>Revised Budget 2020/21</u> £000	<u>Actual YTD</u> £000	<u>Est 2021/22</u> £000	<u>Est 2022/23</u> £000	<u>Future Years</u> £000
SOCIAL CARE							
Crosshill Children's Home Replacement	1,730	1,359	60	52	291	20	0
New Learning Disability Facility	7,400	0	75	42	398	6,292	635
SWIFT Upgrade	1,421	0	0	0	600	821	0
Completed on site	23	0	12	12	0	11	0
Social Care Total	10,574	1,359	147	106	1,289	7,144	635
HEALTH							
Health Total	0	0	0	0	0	0	0
Grand Total HSCP	10,574	1,359	147	106	1,289	7,144	635

EARMARKED RESERVES POSITION STATEMENT

APPENDIX 8

INVERCLYDE HSCP

PERIOD 9: 1 April 2020 - 31 December 2020

<u>Project</u>	<u>Lead Officer/ Responsible Manager</u>	<u>Planned Use By Date</u>	<u>b/f Funding 2019/20 £000</u>	<u>New Funding 2020/21 £000</u>	<u>Total Funding 2020/21 £000</u>	<u>YTD Actual 2020/21 £000</u>	<u>Projected Net Spend 2020/21 £000</u>	<u>Amount to be Earmarked for Future Years £000</u>	<u>Lead Officer Update</u>
Scottish Government Funding			749	8,539	9,288	4,248	5,284	4,004	
Mental Health Action 15	Anne Malarkey	31/03/2022	132	278	410	132	132	278	In year underspend will be carried forward earmarked for use on this SG initiative. Balance of funding received late in the year will be carried forward
ADP	Anne Malarkey	31/03/2022	93	431	524	93	93	431	In year underspend will be carried forward earmarked for use on this SG initiative. Balance of funding received late in the year will be carried forward
Covid-19	Louise Long	31/03/2022	400	7,025	7,425	3,899	4,935	2,490	SG funding received and spend to date for Covid-19 costs
PCIP	Allen Stevenson	31/03/2022	124	505	629	124	124	505	In year underspend will be carried forward earmarked for use on this SG initiative. Balance of funding received late in the year will be carried forward
Community Living Charge	Allen Stevenson	31/03/2022	0	300	300		0	300	New ringfenced funding received late in 20/21 to be used in 21/22
Existing Projects/Commitments			3,259	2,284	5,543	1,151	2,071	3,471	
Self Directed Support	Alan Brown	31/03/2021	43		43	0	43	0	This supports the continuing promotion of SDS.
Growth Fund - Loan Default Write Off	Lesley Aird	ongoing	24		24	0	1	23	Loans administered on behalf of DWP by the credit union and the Council has responsibility for paying any unpaid debt. This requires to be kept until all loans are repaid and no debts exist. Minimal use anticipated in 2020/21
Integrated Care Fund	Allen Stevenson	ongoing	81	959	1,040	665	897	143	The Integrated Care Fund funding has been allocated to a number of projects, including reablement, housing and third sector & community capacity projects.
Delayed Discharge	Allen Stevenson	ongoing	195	334	529	250	452	77	Delayed Discharge funding has been allocated to specific projects, including overnight home support and out of hours support.
CJA Preparatory Work	Sharon McAlees	31/03/2021	112		112	57	68	44	Funding for temp SW within prison service £65k, fund shortfall of Community Justice Co-ordinator post £11k, Whole Systems Approach 20/21 £19k and £17k to contribute to unpaid works supervisor post
Continuing Care	Sharon McAlees	ongoing	565		565	73	109	456	To address continuing care legislation.
Rapid Rehousing Transition Plan (RRTP)	Anne Malarkey	31/03/2021	83	200	283	0	45	238	RRTP funding. Proposals taken to CMT and Committee - progression of Housing First approach and the requirement for a RRTP partnership officer to be employed, post was approved by CMT, March 2020. Expect post to be filled in 20/21. Some slippage in 2020-21 due to Covid - full spend is reflected in 5 year RRTP plan. Additional funding added by IJB in 20/21 to support overall progress in this areas
Dementia Friendly Inverclyde	Anne Malarkey	tbc once Strategy finalised	100		100	0	100	0	Now linked to the test of change activity associated with the new care co-ordination work.
Primary Care Support	Allen Stevenson	31/03/2021	272	25	297	30	42	255	Funding for GP premises spend etc carried forward at yearend.
Contribution to Partner Capital Projects	Lesley Aird	ongoing	632		632		75	557	Purpose of the reserve is to support in year capital works for the IJB including IJB required contributions to Partner Projects

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LD Redesign	Allen Stevenson	31/03/2021	352	116	468	24	74	394	Balance of original £100k approved for spend to be spent in 2020/21. No further expenditure anticipated in year due to Covid. Quotes being sought. Will be fully spent. Funding to support Refugees placed in Inverclyde. Funding extends over a 5 year support programme. We anticipate further increasing this balance in 2020/21 due to the front-end loading of the income received from the Home Office. Funding agreed by the IJB for a 2 year CAHMS post EMR covers the Tier 2 contract term - potentially to 31 July 2024, if 1 year extension taken. Contract commenced 1 August 2020 thus no use of Tier 2 element of EMR anticipated in 2020-21. £62k re Children & Young People Wellbeing will be spent in 2020-21 An additional reserve created to complement the additional one off monies Inverclyde Council is putting in for 2021/22 for C&F and LD services totalling £0.7m New reserve set up to cover any potential shortfall in 2021/22 of covid funding linked to fixed terms posts brought in to tackle the pandemic
Older People WiFi	Allen Stevenson	31/03/2021	20		20	13	20	0	
Refugee Scheme	Sharon McAlees	31/03/2025	432		432	17	50	382	
CAMHS Post	Sharon McAlees	31/03/2022	90		90	22	33	57	
Tier 2 School Counselling	Sharon McAlees	31/07/2024	258		258	0	62	196	
Children & Families Residential Services	Sharon McAlees	31/03/2022	0	250	250	0	0	250	
Supplementary Fixed Term Staffing Fund	Louise Long	31/03/2022	0	400	400			400	
Transformation Projects			2,853	775	3,628	543	775	2,854	
Transformation Fund	Louise Long	ongoing	2,045	(517)	1,528	346	532	996	
Social Care Records Replacement System Project	Sharon McAlees	30/06/2023	0	597	597	59	79	519	
Mental Health Transformation	Louise Long	ongoing	610	300	910	96	122	788	
Addictions Review	Anne Malarkey	31/03/2022	198	94	292	42	42	250	
Children's Winter Plan	Sharon McAlees	31/03/2022	0	97	97		0	97	
Staff Learning & Development Fund	Sharon McAlees	ongoing	0	204	204			204	
Budget Smoothing			848	454	1,302	54	379	923	
C&F Adoption, Fostering Residential Budget Smoothing	Sharon McAlees	ongoing	325		325	0	325	0	
Residential & Nursing Placements	Allen Stevenson	ongoing	223		223	0	0	223	
Advice Services	Lesley Aird	31/03/2022	0	54	54	54	54	0	
Prescribing	Louise Long	ongoing	300	400	700	0	0	700	
TOTAL EARMARKED			7,709	12,052	19,761	5,996	8,509	11,252	
UN-EARMARKED RESERVES									
General			741		741			741	
			741	0	741	0	0	741	

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In Year Surplus/(Deficit) going to/(from) reserves								(690)	
TOTAL IJB RESERVES			8,450	12,052	20,502	5,996	8,509	11,303	

b/f Funding 8,450
 Earmark to be carried forward 11,303
 Projected Movement in Reserves 2,853

Extract from the Reserves Paper to IJB Audit Committee January 2021

4.0 BACKGROUND

4.1 Reserve Funds are established as part of good financial management. The purposes of reserve funds are:

- a) As a working balance to help cushion the impact of uneven cash flows
- b) As a contingency to cushion the impact of unexpected events or emergencies and
- c) As a means of building up funds, often referred to as earmarked reserves, to meet known or predicted liabilities

4.2 The Integration Scheme states:

“Where an underspend in an element of the operational budget ... this will be retained by the Integration Joint Board to either fund additional capacity in-year in line with its Strategic Plan or be carried forward to fund capacity in subsequent years of the Strategic Plan”

4.3 The Audit Scotland Report on Integration published November 2018 and Ministerial Steering Group Report and Recommendations around Integration published the following year both reinforce that IJBs must have reserves policies which *“ensure that reserves are identified for a purpose and held against planned expenditure with timescales identified for their use, or held as a general reserve as a contingency to cushion the impact of unexpected events or emergencies. Reserves must not be built up unnecessarily.”* The IJBs Reserves policy was approved in 2016 and all IJB Reserves are held in line with this recommendation and reported in each IJB monitoring report.

4.4 In terms of the level of reserves and IJB should hold, CIPFA recommend that unallocated reserves balances should be between **2 and 4% of revenue expenditure**. At the end of 2019/20 the IJB reserves were £8.450m, 5.4% of revenue expenditure, with £0.741m unallocated 0.5% of revenue expenditure. However, within its earmarked reserves the IJB holds smoothing and transformation project reserves which help address the CIPFA recommendation in a different way.

5.0 IJB RESERVES

5.1 The IJB holds 4 specific types of earmarked reserves as well as its general reserves. A summary of what each of these relates to together with the balance on the reserves at 31/03/2020 is below:

- Scottish Government Funding – £0.749m
 - These reserves relate to specific, ring fenced government funded initiatives.
 - They are created through in year slippage on the specific project either through delays in filling vacancies funded by the project or delays in procuring services from external providers.
 - As part of the funding arrangement these must be carried forward for use in the following year against the agreed project.
 - Current projects within this category as at 31/03/2020 include: Mental

Health Action 15, Alcohol and Drug Partnership, Primary Care Improvement Plans and Covid funding

- All of these funds will be spent in year but further underspends on in year funding may require to be carried forward at the yearend.
- Anticipated balance at the end of 2020/21 - £0m
- Existing Projects and Commitments - £3.259m
 - This relates to a number of individual multi year projects which have already been committed to. This will include posts funded over a number of years or contracts awarded.
 - Each of these projects has an anticipated end date. Many finish the following financial year, others go on for a few years.
 - Some, such as the Integrated Care Fund and Delayed Discharge are rolling funds ie the brought forward balance is spent in full each year but new funds come in during the year which may not be spent in full by the yearend will be carried forward at the yearend.
 - During 2020/21 two new funds have been created under this category which are being funded from underspends due to delays in filling vacancies. These funds are:
 - Learning & Development Fund – money to support the future year costs of staff learning and development, including the District Nurse Training programme as agreed by the IJB in June 2020
 - Supplementary Fixed Term Staffing Fund – funding to cover any short term shortfalls in additional external funding for fixed term posts eg Covid related posts in the vent that LMP funding is discontinued
 - Anticipated balance at the end of 2020/21 - £3.656m
 - Transformation Projects - £2.853m.

There are 3 specific funds within this category:

 - IJB Transformation Fund
 - £2.045m at the start of the year but almost all of this is committed to specific projects which will incur costs over the next 3 years.
 - This is a rolling fund. Each year the IJB aims to replenish this fund through in year underspends when possible to ensure it retains funding to support long term service redesign and tests of change.
 - Mental Health Transformation Fund
 - £0.610m at the start of the year.
 - This was a new fund created in 2019/20 to support the Mental Health service as it was going through a time of transition.
 - It is anticipated this will be spent in full over the next 3 years.
 - Addictions Review
 - £0.198m at the start of the year
 - This was a new fund created in 2019/20 from underspends in the Addictions and Drug Recovery service (ADRS) due to delays in recruiting staff and delays in spend on commissioned services
 - The purpose of the fund is to support ADRS as it implements change over the next 2-3 years.
 - It is anticipated this will be spent in full over the next 3 years.
 - Anticipated balance at the end of 2020/21 - £2.188m
 - Budget Smoothing - £0.848m
 - These funds are held against specific, historically volatile budget lines such as Residential Services for Children & Families and Older People and Prescribing.
 - The funds are added to each year if these budget areas underspend and are drawn on in the years these budgets face one off pressures.
 - Residential services, particularly in Children & Young Peoples services can

- be very expensive and costs can fluctuate dramatically year on year.
- Rather than tying up budget against such volatile budgets smoothing reserves allow budgets to be set based on the norm to ensure resources aren't tied up where they might not be needed while also ensuring the IJB has funding available to cover additional costs that may occur.
- Anticipated balance at the end of 2020/21 - £0.923m