
Report To: Inverclyde Integration Joint Board **Date:** 14 March 2017

Report By: Brian Moore
Corporate Director (Chief Officer)
Inverclyde Health & Social Care Partnership **Report No:** IJB/16/2017/LA

Contact Officer: Lesley Aird **Contact No:** 01475 715381

Subject: **FINANCIAL MONITORING REPORT 2016/17 – PERIOD TO 31 DECEMBER 2016, 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 as at Period 9 to 31 December 2016.

2.0 SUMMARY

- 2.1 This report outlines the financial position at Period 9 to end December 2016. The current year end projection for the Partnership is an underspend of £0.125m (previous report to Period 7 showed a £0.176m projected overspend) against the revised expenditure budget of £127.495m. This is made up of a forecast £0.125m underspend on Social Work and a forecast breakeven on Health Services, assuming £0.667m of non-recurring funding from the Health Board linked to the delayed delivery of in year savings
- 2.2 The Social Work revised budget is £53.228m with £0.737m of unallocated funds linked to the Social Care Fund and a projected underspend of £0.125m, which is a decrease in projected spend of £0.301m since the last report. The main elements of the underspend are detailed within this report and attached appendices:
- 2.3 While Health services are currently projected to be in line with the overall Health budget there are some issues to note:
- Savings Delivery
The part year effect of the 2016/17 savings means that £0.667m of the proposed savings to deliver the targeted full year savings will be funded on a non-recurring basis by the Health Board.
 - Mental Health Inpatients
As per previous reports, there is still an ongoing, inherited budget pressure related to mental health inpatient services due to the high levels of special observations required in that area. Work is ongoing to address this budget pressure for the current and future years and one off reductions have been made in other areas to offset the overall budget pressure and ensure the budget is in balance overall.
- 2.4 The Corporate Director (Chief Officer) and Heads of Service will continue to work to mitigate the projected budget pressure within MH Inpatients and keep the overall IJB budget in balance for the remainder of the year. It is proposed that any overspend in

2016/17 would be funded by the IJB through the Social Care Fund monies and any overall underspend would be carried forward through Reserves.

- 2.5 The report outlines the current projected spend for the Social Care Fund, Integrated Care Fund and Delayed Discharges money.
- 2.6 The IJB has no capital budget. 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 £1.414m for 2016/17 with an actual spend to end December of £0.508m.
- 2.7 The Council previously held earmarked reserves which related to IJB activity. In September 2016 the Council agreed to transfer these reserves to the IJB to be managed in line with the IJB Reserves Policy. The total projected spend for 2016/17 is £2.437m, actual spend at Period 9 is £1.278m.

3.0 RECOMMENDATIONS

3.1 It is recommended that the Integration Joint Board:

1. Notes the Period 9 position for 2016/17 (Appendices 1-3);
2. 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);
3. Notes the previously agreed use of the Social Care Fund in 2016/17 and 2017/18 (Appendix 6);
4. Notes the current position for the Integrated Care Fund and Delayed Discharge monies (Appendix 7);
5. Notes the current capital position (Appendix 8),
6. Notes the current Earmarked Reserves position (Appendix 9).

Brian Moore
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 2016/17 was formally agreed on 16 September 2016. The table below summarises the agreed budget and funding together with the projected outturn at 31 December, £0.125m underspend to be transferred to Reserves:

	Revised Budget 2016/17 £000	Projected O/Turn @ 31/12 £000	Projected Over/(Under) Spend £000
Social Work Services	53,228	53,103	(125)
Health Services	74,267	74,267	0
HSCP NET EXPENDITURE	127,495	127,370	(125)
FUNDED BY			
Social Care Fund	4,449	4,449	0
Transfer from / (to) Reserves	0	(125)	(125)
NHS Contribution to the IJB	74,267	74,267	0
Council Contribution to the IJB	48,779	48,779	0
HSCP NET INCOME	127,495	127,370	(125)
HSCP SURPLUS/(DEFICIT)	0	0	0
SET ASIDE BUDGET	16,439	16,439	0

5.0 SOCIAL WORK SERVICES

5.1 The Social Work services revised budget is £53.228m, of which £0.737m of the Social Care Fund remains unallocated. The projected outturn at 31 December 2016 is a £0.125m underspend (0.23%).

5.2 The Social Work budget includes an in year savings target of £1.043m, of which the majority has already been delivered. It is anticipated that this will be delivered in full during the year.

Appendix 2 contains details of the Social Work outturn position. The main variances are detailed below with further detail provided in Appendix 2A.

Underspends due to:

- Vacancies in internal homecare £0.147m
- Vacancies and slippage in other services £0.074m
- Additional one off income received within Residential and Nursing £0.152m
- Projected underspends within Children & Families on respite, kinship and the Children & Young People Act £0.135m

Offset in part by:

- Residential and Nursing overspend of £0.152m due to increased numbers of beds in use. This was offset by the additional one off income noted above
- Homecare overspend £0.117m on external homecare due to increased hours of care required, offset by internal vacancies notes above
- Projected overspend on Learning Disabilities Client Packages £0.129m, partially linked to the move to Redholm.

5.3 The Criminal Justice Service is currently funded via a ring fenced grant from the Scottish Government, received via the Criminal Justice Authority. From 1 April 2017 this grant will be allocated directly to the Council as part of the settlement,

but remain ringfenced. The methodology used to allocate the grant has also been changed and the indicative allocation shows a potential grant reduction of 25% for Inverclyde over the next five years. Work is being carried out to identify how this will be addressed for 2017/18 and to draw up a five year plan to address the overall reduction. Updates on this work and details of the final budget allocations will be reported to the IJB.

- 5.4 The living wage rate will increase to £8.45 from 1 April 2017. It is estimated that this would require an uplift to providers of 1.39%, potentially costing £0.180m. These costs have been provided for within the 2017/18 SCF allocation proposals previously agreed.
- 5.5 Previous reports have reflected the net spend on Social Care services, excluding the Resource Transfer sums. This report now nets off Resource Transfer between Health and Social Care and shows the total budgeted spend within each Service area instead of the net position previously reported.

6.0 HEALTH SERVICES

- 6.1 The Health services budget is £74.267m and the projected outturn as at Period 9 is in line with that budget.
- 6.2 The total savings target for Health services for 2016/17 was £0.890m. The 2016/17 savings were approved by the IJB on 24 January 2017 and are in the process of being implemented. The Health Board on a non recurring basis will fund £0.667m of Inverclyde savings which will not be cash delivered in 2016/17.

6.3 Mental Health Inpatients

As per previous reports, there is still an ongoing £1.2m budget pressure related to mental health inpatient services due to the high levels of special observations required.

- 6.4 In 2015/16 planned reductions were made in other budgets to offset the inpatient overspend. This is continuing on a non recurring basis for 2016/17 to offset any balance of cost pressures not resolved in year. Temporary virement has been proposed in this report in order to ensure the service outturns in line with budget for the year. These proposals are detailed in Appendix 4. The proposed virement and projected underspends which will fund the underlying Inpatients budget pressure are summarised below:

- Children & Families £0.160m
- Health & Community Care £0.300m
- Management & Admin £0.283m
- Planning & Health Improvement £0.040m
- In Year Virement of £0.398m from MH Community Services

Most of the above underspends which are being used to offset the Inpatients budget pressure relate to non recurring in year savings.

- 6.5 At Period 9 the in year overspend on MH Inpatients is £0.935m.
- 6.6 The service has developed and is implementing an action plan to address elements of the historic overspend. This budget will be closely monitored throughout the year and the residual budget pressure is being reflected in the 2017/18 budget proposals to ensure that the underlying budget is sufficient for core service delivery going forward.

6.7 Prescribing

This is a risk sharing arrangement in place in respect of Prescribing budgets across all six Health & Social Care Partnerships. This arrangement means that any overspends are covered in year by the Health Board. However, it is anticipated that this arrangement will be subject to change in the future. This would mean that any overspend would have to be contained locally within each

partnership. At Period 9 the Inverclyde overspend for 2016/17 is currently circa £0.150m. Further work is being done to agree the methodology for setting this budget for partnerships for future years. This is likely to be an area of financial risk and pressure for the IJB if the risk sharing agreement is removed.

7.0 VIREMENT & OTHER BUDGET MOVEMENTS

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.

8.0 SOCIAL CARE FUND, INTEGRATED CARE FUND, DELAYED DISCHARGE FUNDING

8.1 Social Care Fund

Appendix 6 details the current proposals for use of the £4.449m Social Care Fund (SCF) in 2016/17 and £6.329m for 2017/18. The table has been updated since the budget was agreed in September to reflect the updates subsequently agreed by the IJB.

8.2 On 15 December 2016 draft settlement letters for 2017/18 were issued by Scottish Government. In these an additional £107m was top-sliced from the Health uplift and allocated to HSCPs as additional SCF. Of this £80m has been earmarked for Councils to enable them to reduce their funding to the IJBs by up to the value of the local share of the £80m, to partially offset the local authority funding reductions. For Inverclyde this equates to an increase in SCF of £1.880m and a maximum Council funding reduction of £1.410m. These values have been reflected in Appendix 6 for 2017/18.

8.3 There is £0.737m of funding available in 2016/17 and £1.410m in 2017/18, which will be required to offset the Council's proposed funding reduction. The in year underspend will be taken into IJB Reserves for use by the IJB in future years.

8.4 Integrated Care Fund (ICF) and Delayed Discharge Funding (DD)

Appendix 7 details the current budget, projected outturn and actual spend to date for these funds. Both funds have some funds still to be allocated at this stage in the year, ICF has £0.187m funding to be carried forward into 2017/18 and DD has £0.098m still to be committed for the year.

9.0 CURRENT CAPITAL POSITION - £nil Variance

9.1 The Social Work capital budget is £3.898m over the life of the projects with £1.414m for 2016/17, comprising:

- £1.132m for the replacement of Neil Street Children's Home,
- £0.057m for the replacement of Crosshill Children's Home,
- £0.225m for the conversion costs associated with John Street, Gourock.

The costs of £0.225m associated with John St, Gourock are being met by funding from the IJB through the SCF and the additional costs for Neil Street Children's Home replacement of £0.133m are being met from the Children's Residential Care, Adoption & Fostering EMR.

9.2 There is projected slippage in the 2016/17 budget of £0.332m (23.5%) against the Neil Street Children's Home Replacement. Expenditure on all capital projects to 31 December is £0.508m. Appendix 8 details capital budgets.

9.3 Progress on the Neil Street Children's Home replacement is as follows:

- Building external fabric nearing completion
- Road infrastructure in progress
- External works in progress but encountering poor ground conditions with saturated ground and soft spots
- Contractor has intimated five week slippage to programme
- Programme completion date 31 March 2017. Anticipated completion May 2017
- Late completion does not affect the agreed occupation date of June 2017

9.4 Progress on the Crosshill Centre Children's Home replacement is as follows:

- Design in progress
- Decant to Neil Street anticipated August 2017
- Crosshill demolition on vacant possession
- Construction of new Crosshill October 2017 to June 2018

9.5 Progress on the John Street project is as follows:

- Works to fire alarm system, door locks, lift, fire-fighting equipment and sundry minor works now complete
- Sprinkler system installation in progress with completion January 2017
- Internal alterations (kitchen, dining room, office and shower room) in progress
- Anticipated completion end of March 2017

10.0 EARMARKED RESERVES

10.1 The IJB inherited £2.584m of Earmarked Reserves which were transferred from the Council. Of this total, £2.437m is projected to be spent in the current financial year. To date £1.278m spend has been incurred which is 52.4% of the projected 2016/17 spend. This is £0.141m (9.9%) behind the phased budget. Appendix 9 details the individual Earmarked Reserves.

10.2 Within the Earmarked Reserves for 2016/17 is £1.308m relating to the Integrated Care Fund. This is the Council's share of a total allocation to Inverclyde of £1.700m, with the balance funding a number of NHS projects. The funding has been allocated as follows:

Project	£000
Reablement	700
Carers	150
Telecare	100
Community connectors	95
Additional posts to support various projects	93
Third sector integration & commissioning	65
Children & Families transitions	40
Independent sector integration partner	29
Housing	25
Strategic needs analysis admin support	11
Total funding	1,308

It should be noted that the reserves reported exclude those earmarked reserves that relate to budget smoothing, namely:

- Children's Residential Care, Adoption & Fostering
- Deferred Income.

These were retained by Inverclyde Council.

11.0 IMPLICATIONS

11.1 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

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

HUMAN RESOURCES

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

EQUALITIES

11.4 There are no equality issues within this report.

Has an Equality Impact Assessment been carried out?

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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.

11.5 How does this report address our Equality Outcomes

There are no Equalities Outcomes implications within this report.

Equalities Outcome	Implications
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	None

maximised.	
Positive attitudes towards the resettled refugee community in Inverclyde are promoted.	None

11.6 CLINICAL OR CARE GOVERNANCE IMPLICATIONS

There are no governance issues within this report.

11.7 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

12.0 CONSULTATION

12.1 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.

13.0 BACKGROUND PAPERS

13.1 None.

INVERCLYDE HSCP**REVENUE BUDGET 2016/17 PROJECTED POSITION****PERIOD 7: 1 April 2016 - 31 December 2016**

SUBJECTIVE ANALYSIS	Approved Budget 2016/17 £000	Revised Budget 2016/17 £000	Projected Out-turn 2016/17 £000	Projected Over/(Under) Spend £000	Percentage Variance
Employee Costs	47,576	48,024	47,803	(221)	-0.5%
Property Costs	1,609	1,217	1,187	(30)	-2.5%
Supplies & Services	64,363	65,393	66,055	662	1.0%
Prescribing	17,989	17,983	17,983	0	0.0%
Resource Transfer *	9,360	0	0	0	0.0%
Income	(15,704)	(5,859)	(6,395)	(536)	9.1%
Unidentified Savings	(587)	0	0	0	0.0%
Unallocated Funds	1,536	737	737	0	0.0%
	126,142	127,495	127,370	(125)	7.2%

OBJECTIVE ANALYSIS	Approved Budget 2016/17 £000	Revised Budget 2016/17 £000	Projected Out-turn 2016/17 £000	Projected Over/(Under) Spend £000	Percentage Variance
Planning, Health Improvement & Commissioning	2,379	2,826	2,755	(70)	-2.5%
Older Persons	23,243	26,199	26,210	11	0.0%
Learning Disabilities	7,564	11,175	11,257	82	0.7%
Mental Health - Communities	4,565	5,739	5,686	(52)	-0.9%
Mental Health - Inpatient Services	8,230	8,773	9,556	783	8.9%
Children & Families	13,406	13,565	13,285	(280)	-2.1%
Physical & Sensory	2,227	2,674	2,687	13	0.5%
Addiction / Substance Misuse	2,841	3,459	3,433	(26)	-0.8%
Assessment & Care Management / Health & Community Care	5,822	6,328	6,005	(323)	-5.1%
Support / Management / Admin	4,235	4,276	3,996	(280)	-6.6%
Criminal Justice / Prison Service **	0	0	0	0	0.0%
Homelessness	806	834	852	18	2.2%
Family Health Services	21,060	21,571	21,571	0	0.0%
Prescribing	17,989	17,983	17,983	0	0.0%
Resource Transfer *	9,360	0	0	0	0.0%
Change Fund	1,467	1,356	1,356	0	0.0%
Unidentified Savings	(587)	0	0	0	0.0%
Unallocated Funds	1,536	737	737	0	0.0%
HSCP NET EXPENDITURE	126,142	127,495	127,370	(125)	-0.1%
FUNDED BY					
Social Care Fund	4,449	4,449	4,449	0	0.0%
NHS Contribution to the IJB	72,878	74,267	74,267	0	0.0%
Council Contribution to the IJB	48,815	48,779	48,779	0	0.0%
Transfer from / (to) Reserves	0	0	(125)	(125)	0.0%
HSCP NET INCOME	126,142	127,495	127,370	(125)	-0.1%
HSCP SURPLUS/(DEFICIT)	0	0	0	0	0.0%

* Resource Transfer is funding transferred from Health to Social Care which offsets to zero. The total transfer value is detailed in the Social Care and Health Appendices

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

SOCIAL WORK**DRAFT REVENUE BUDGET 2016/17****PERIOD 7: 1 April 2016 - 31 December 2016**

2015/16 Actual £000	SUBJECTIVE ANALYSIS	Approved Budget 2016/17 £000	Revised Budget 2016/17 £000	Projected Out-turn 2016/17 £000	Projected Over/(Under) Spend £000	Percentage Variance
	SOCIAL WORK					
25,148	Employee Costs	25,865	26,018	25,797	(221)	-0.8%
1,356	Property costs	1,170	1,212	1,182	(30)	-2.5%
875	Supplies and Services	729	811	912	101	12.4%
473	Transport and Plant	380	380	414	34	8.9%
911	Administration Costs	659	748	848	100	13.4%
35,061	Payments to Other Bodies	37,459	37,359	37,786	427	1.1%
	Resource Transfer		(9,359)	(9,359)	0	0.0%
(14,488)	Income	(14,533)	(4,679)	(5,215)	(536)	11.5%
	Unallocated Funds	1,536	737	737	0	0.0%
49,336	SOCIAL WORK NET EXPENDITURE	53,264	53,228	53,103	(125)	-0.2%

2015/16 Actual £000	OBJECTIVE ANALYSIS	Approved Budget 2016/17 £000	Revised Budget 2016/17 £000	Projected Out-turn 2016/17 £000	Projected Over/(Under) Spend £000	Percentage Variance
	SOCIAL WORK					
1,755	Planning, Health Improvement & Commissioning	1,730	2,041	2,010	(30)	-1.5%
22,193	Older Persons	23,243	26,199	26,210	11	0.0%
6,709	Learning Disabilities	6,996	10,673	10,755	82	0.8%
961	Mental Health	1,254	3,154	3,102	(52)	-1.7%
10,102	Children & Families	10,691	10,735	10,615	(120)	-1.1%
2,033	Physical & Sensory	2,227	2,674	2,687	13	0.5%
1,028	Addiction / Substance Misuse	1,040	1,613	1,587	(26)	-1.6%
2,097	Business Support	2,180	2,240	2,243	3	0.1%
1,574	Assessment & Care Management	1,562	1,688	1,665	(23)	-1.4%
0	Criminal Justice / Scottish Prison Service	0	0	0	0	0.0%
	Resource Transfer		(9,359)	(9,359)	0	200.0%
	Unallocated Funds	1,536	737	737	0	0.0%
884	Homelessness	806	834	852	18	2.2%
49,336	SOCIAL WORK NET EXPENDITURE	53,264	53,228	53,103	(125)	-0.2%

2015/16 Actual £000	COUNCIL CONTRIBUTION TO THE IJB	Approved Budget 2016/17 £000	Revised Budget 2016/17 £000	Projected Out-turn 2016/17 £000	Projected Over/(Under) Spend £000	Percentage Variance
49,336	Council Contribution to the IJB	48,815	48,779	48,779	0	0.0%
	Transfer from / (to) Reserves			(125)	(125)	
	Balance to be funded by the SCF	4,449	4,449	4,449	0	0.0%

SOCIAL WORK**PERIOD 7: 1 April 2016 - 31 December 2016**

Extract from report to the Health & Social Care Committee

Children & Families: Projected £120,000 (1.12%) underspend

The projected underspend is £167,000 more than reported previously and comprises:

- A projected overspend on employee costs of £114,000 (a reduction of £15,000) mainly relating to residential accommodation where there is a requirement for certain staffing levels. This is a continuing pressure area which was offset in 2015/16 by a number of vacancies within Children & Families.
- A projected underspend of £45,000 (an increase of £15,000) on Children and Young People Act funding due to delays in projects starting this year,
- A projected underspend in kinship of £40,000 due to additional funding received for parity with foster carers
- A projected underspend of £48,000 on respite which is an increase of £25,000 since period 7,
- A projected underspend of £59,000 on a number of areas which have only been identified at period 9.

Any over/ underspends on adoption, fostering and children's external residential accommodation are transferred from/ to the Earmarked Reserve at the end of the year. These costs are not included in the above overspend. The reserve had a balance of £682,000 carried forward from 2015/16 and £133,000 of that was set aside to contribute to the additional costs for the replacement of the Neil Street Children's Home. Overall at period 9 there was a projected net underspend on fostering, adoption and children's external residential accommodation of £394,000 which would be added to the Earmarked Reserve at the end of the year if it continues.

Older People: Projected £11,000 (0.04%) overspend

The projected overspend is £39,000 less than previously reported and comprises:

- A projected underspend on employee costs of £100,000, an increase in spend of £12,000. £147,000 relates to vacancies in Homecare and this is offsetting a projected overspend on external homecare costs.
- A projected overspend of £117,000 on external homecare costs and domiciliary respite, a minor reduction in costs of £9,000 since last reported to Committee.
- A projected overspend in Residential & Nursing on care home beds of £152,000 which is fully offset by one off income below. The projection assumes 626 beds from February 2017.
- Residential & Nursing also has additional one off income received for charges of £152,000, an increase of £26,000.

Learning Disabilities: Projected £82,000 (1.22%) overspend

This is an decrease of £55,000 in the projected position mainly due to one client now being funded by North Ayrshire savings £39,000 and additional turnover savings of £28,000 being achieved.

Assessment & Care Management: Projected £23,000 (1.46%) underspend

This relates to a projected underspend on employee costs.

Mental Health: Projected £52,000 (3.99%) underspend

This relates to a projected underspend of £36,000 on employee costs due to additional turnover savings being achieved, projected underspend within client package costs of £37,000 offset by a projected overspend of £25,000 on agency staff. There is additional spend relating to the Neil Street project which is fully funded by Health.

Additions: Projected £26,000 (2.4%) underspend

The projected underspend consists of a projected underspend on employee costs due to vacancies, a projected overspend on property costs and a projected underspend on client package costs due to changes in packages.

Homelessness: Projected £18,000 (2.22%) overspend

The projected overspend consists of a projected underspend on employee costs due to vacancies offset by a projected overspend on bad debt provision. The bad debt provision is currently under review in light of changes in the number of properties and the impact of Universal Credit.

Planning, HI & Commissioning: Projected £30,000 (1.75%) underspend

The projected underspend consists of a £13,000 projected underspend on employee costs due to vacancies and a £24,000 projected underspend in core funding within Welfare Reform due to anticipated slippage.

HEALTHDRAFT REVENUE BUDGET 2016/17PERIOD 7: 1 April 2016 - 31 December 2016

2015/16 Actual £000	SUBJECTIVE ANALYSIS	Approved Budget 2016/17 £000	Revised Budget 2016/17 £000	Projected Out-turn 2016/17 £000	Projected Over/(Under) Spend £000	Percentage Variance
	HEALTH					
21,852	Employee Costs	21,711	22,006	22,006	0	0.0%
499	Property	439	5	5	0	0.0%
4,806	Supplies & Services	4,077	4,523	4,523	0	0.0%
20,865	Family Health Services (net)	21,060	21,571	21,571	0	0.0%
17,422	Prescribing (net)	17,989	17,983	17,983	0	0.0%
9,203	Resource Transfer	9,360	9,360	9,360	0	0.0%
	Unidentified Savings	(587)	0	0	0	0.0%
(1,240)	Income	(1,171)	(1,181)	(1,181)	0	0.0%
73,406	HEALTH NET EXPENDITURE	72,878	74,267	74,267	0	0.0%

2015/16 Actual £000	OBJECTIVE ANALYSIS	Approved Budget 2016/17 £000	Revised Budget 2016/17 £000	Projected Out-turn 2016/17 £000	Projected Over/(Under) Spend £000	Percentage Variance
	HEALTH					
2,625	Children & Families	2,715	2,830.0	2,670	(160)	-5.7%
4,115	Health & Community Care	4,260	4,640.7	4,341	(300)	-6.5%
2,447	Management & Admin	2,055	2,035.9	1,753	(283)	-13.9%
518	Learning Disabilities	568	502.1	502	0	0.0%
1,858	Addictions	1,801	1,845.9	1,846	0	0.0%
2,994	Mental Health - Communities	3,311	2,584.7	2,585	0	0.0%
9,035	Mental Health - Inpatient Services	8,230	8,773.4	9,556	783	8.9%
821	Planning & Health Improvement	649	784.9	745	(40)	-5.1%
1,503	Change Fund	1,467	1,356.2	1,356	0	0.0%
20,865	Family Health Services	21,060	21,571.4	21,571	0	0.0%
17,422	Prescribing	17,989	17,982.7	17,983	0	0.0%
0	Unidentified savings	(587)	0.0	0	0	0.0%
9,203	Resource Transfer	9,360	9,360	9,360	0	0.0%
73,406	HEALTH NET EXPENDITURE	72,878	74,267	74,267	0	0.0%

2015/16 Actual £000	HEALTH CONTRIBUTION TO THE IJB	Approved Budget 2016/17 £000	Revised Budget 2016/17 £000	Projected Out-turn 2016/17 £000	Projected Over/(Under) Spend £000	Percentage Variance
0	Social Care Fund	4,449	4,449	4,449	0	0.0%
73,406	NHS Contribution to the IJB	72,878	74,267	74,267	0	0.0%

Budget Movements 2016/17

Appendix 4

Inverclyde HSCP Service	Approved Budget		Movements			Transfers to/ (from) Earmarked Reserves £000	Revised Budget
	2016/17	Inflation	Virement	Supplementary	2016/17		
	£000	£000	£000	Budgets £000	£000		
Children & Families	13,406	0	(56)	215	0	13,565	
Criminal Justice	0	0	0	0	0	0	
Older Persons	23,243	0	2,956	0	0	26,199	
Learning Disabilities	7,564	0	3,664	(53)	0	11,175	
Physical & Sensory	2,227	0	448	0	0	2,674	
Assessment & Care Management/ Health & Community Care	5,822	0	34	473	0	6,328	
Mental Health - Communities	4,565	17	1,359	(202)	0	5,739	
Mental Health - In Patient Services	8,230	13	398	133	0	8,773	
Addiction / Substance Misuse	2,841	3	573	42	0	3,459	
Homelessness	806	0	28	0	0	834	
Planning, HI & Commissioning	2,379	0	290	157	0	2,826	
Management, Admin & Business Support	4,235	0	(47)	88	0	4,276	
Family Health Services	21,060	0	0	512	0	21,571	
Prescribing	17,989	0	0	(6)	0	17,983	
Change Fund	1,467	0	(111)	0	0	1,356	
Resource Transfer	9,360	0	(9,359)	0	0	0	
Unidentified Savings	(587)	0	587	0	0	0	
Unallocated Funds	1,536	0	(799)	0	0	737	
Totals	126,142	33	(37)	1,357	0	127,496	

Social Work Budgets Service	Approved Budget		Movements			Transfers to/ (from) Earmarked Reserves £000	Revised Budget
	2016/17	Inflation	Virement	Supplementary	2016/17		
	£000	£000	£000	Budgets £000	£000		
Children & Families	10,691	0	44	0	0	10,735	
Criminal Justice	0	0	0	0	0	0	
Older Persons	23,243	0	2,956	0	0	26,199	
Learning Disabilities	6,996	0	3,677	0	0	10,673	
Physical & Sensory	2,227	0	448	0	0	2,674	
Assessment & Care Management	1,562	0	126	0	0	1,688	
Mental Health - Community	1,254	0	1,900	0	0	3,154	
Addiction / Substance Misuse	1,040	0	573	0	0	1,613	
Homelessness	806	0	28	0	0	834	
Planning, HI & Commissioning	1,730	0	310	1	0	2,041	
Business Support	2,180	0	61	0	0	2,240	
Resource Transfer	0		(9,359)			(9,359)	
Unallocated Funds	1,536	0	(799)	0	0	737	
Totals	53,264	0	(37)	1	0	53,228	

Health Budgets	Approved Budget		Movements			Revised Budget
	2016/17 £000	Inflation £000	Virement £000	Supplementary Budgets £000	Transfers to/ (from) Earmarked Reserves £000	
Children & Families	2,715	0	(100)	215	0	2,830
Learning Disabilities	568	0	(13)	(53)	0	502
Health & Community Care	4,260	0	(92)	473	0	4,641
Mental Health - Communities	3,311	17	(541)	(202)	0	2,585
Mental Health - Inpatient Services	8,230	13	398	133	0	8,773
Addiction / Substance Misuse	1,801	3	0	42	0	1,846
Planning, HI & Commissioning	649		(20)	156	0	785
Management, Admin & Business Support	2,055	0	(108)	88	0	2,036
Family Health Services	21,060	0	0	512	0	21,571
Prescribing	17,989	0	0	(6)	0	17,983
Change Fund	1,467	0	(111)	0	0	1,356
Resource Transfer	9,360	0	0	0	0	9,360
Unidentified Savings	(587)		587			0
Totals	72,878	33	(0)	1,357	0	74,267

Virement Analysis

	<u>Increase</u> <u>Budget</u> <u>£000</u>	<u>(Decrease)</u> <u>Budget</u> <u>£000</u>
Homecare - payments to other bodies		(30)
Homecare - income	30	
Various Services	586	
Unallocated Funds - Allocation of SCF		(586)
Resource Transfer Income from Health		(9,359)
Older People	2,584	
Assessment & Care Management	108	
Learning Disabilities	3,616	
Physical & Sensory	461	
Business Support	35	
Planning & Health Improvement	78	
Mental Health	1,928	
Addictions	549	
MH Communities (temp virement 16/17 only)		(398)
MH Inpatients (temp virement 16/17 only)	398	
	10,373	(10,373)

Supplementary Budget Movement Detail

£000

£000

Children & Families		215
Central Health Visiting savings proposal deferred to future year	20	
Non Recurring Funding for CAMHS (£0.175m) and Health Visitors (£0.019m)	194	
Learning Disabilities		(53)
LD Redesign	(59)	
Transfer of non recurring funding re purchase of hoists from District Nursing	6	
Health & Community Care (Adult Comm Services)		473
Non Recurring Funding - Carers Information Strategy	80	
Non Recurring Funding - Primary Care Transformation	300	
Non Recurring Funding - Primary Care Transformation "Cluster Work"	24	
Non Recurring Funding - Diabetes	94	
Final year of District Nursing RAM implemented	(18)	
Transfer of non recurring funding re purchase of hoists to LD	(6)	
Mental Health Communities		(202)
Centralisation of budgets to Facilities - Domestic, Heat, Light, Power,	(134)	
Budget for CRS staff moved to CRS code within Adult Inpatients	(98)	
Budget for Acute Hospital Liaison Nurse from End Point funding	30	
Mental Health Inpatients		133
Budget for CRS staff moved from Communities	98	
Non Recurring Funding - Elderly Consultant	35	
Addictions		42
Non Recurring Funding - Band 6 BBV/Hep C Nurse	47	
Transfer of funding to central Addictions Naloxone code (non recurring)	(5)	
Planning & Health Improvement		157
Non Recurring Funding - Smoking Prevention & Smoking Cessation	94	
Non Recurring Funding - Tobacco Post	11	
Non Recurring Funding - Eat Up	50	
Non Recurring Funding - Child Healthy Weight	6	
Transfer of furniture budget to Management & Admin	(5)	
Management & Admin (Other Services)		88
Centralisation of budgets to Facilities - Domestic, Heat, Light, Power, Maintenance, Rates	(583)	
Non Recurring Savings relief from HB	667	
Transfer of furniture budget from PHI	4	
Family Health Services		512
General Medical Services Budget Uplift	242	
Non Recurring GMS Exchanges	270	
Prescribing		(6)
Minor adjustment to overall budget per Schedule 4 update	(6)	
		1,358

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.

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 2016/17 £000
SOCIAL WORK	
Employee Costs	26,018
Property costs	1,212
Supplies and Services	811
Transport and Plant	380
Administration Costs	748
Payments to Other Bodies	37,359
Income (incl Resource Transfer)	(14,038)
Contribution to Earmarked Reserves	0
SOCIAL WORK NET EXPENDITURE	52,491

OBJECTIVE ANALYSIS	Budget 2016/17 £000
SOCIAL WORK	
Planning, Health Improvement & Commissioning	2,041
Older Persons	26,199
Learning Disabilities	10,673
Mental Health	3,154
Children & Families	10,735
Physical & Sensory	2,674
Addiction / Substance Misuse	1,613
Business Support	2,240
Assessment & Care Management	1,688
Criminal Justice / Scottish Prison	0
Change Fund	0
Homelessness	834
Resource Transfer	(9,359)
SOCIAL WORK NET EXPENDITURE	52,491

This direction is effective from 14 March 2017.

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.

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 2016/17 £000
HEALTH	
Employee Costs	22,006
Property costs	5
Supplies and Services	4,523
Family Health Services (net)	21,571
Prescribing (net)	17,983
Resources Transfer	9,360
Unidentified Savings	0
Income	(1,181)
HEALTH NET EXPENDITURE	74,267
Social Care Fund (SCF)	4,449
NET EXPENDITURE INCLUDING SCF	78,716

OBJECTIVE ANALYSIS	Budget 2016/17 £000
HEALTH	
Children & Families	2,830
Health & Community Care	4,641
Management & Admin	2,036
Learning Disabilities	502
Addictions	1,846
Mental Health - Communities	2,585
Mental Health - Inpatient Services	8,773
Planning & Health Improvement	785
Change Fund	1,356
Family Health Services	21,571
Prescribing	17,983
Unidentified savings	0
Resource Transfer	9,360
HEALTH NET EXPENDITURE	74,267
Social Care Fund (SCF)	4,449
NET EXPENDITURE INCLUDING SCF	78,716

The set aside budget is: £16.439m

This direction is effective from 14 March 2017.

APPENDIX 6

Social Care Fund - Planned Spend

Proposed use of the Social Care Fund	PROPOSED SPEND	
	2016/17 £m	2017/18 £m
Demand Growth/Charging/Additionality		
Social Care demand growth and other pressures the Council agreed would funded through SCF	1.269	1.269
Charging Thresholds on non residential services	0.110	0.110
Dementia Strategy	0.115	0.115
TOTAL Demand Growth/Charging/Additionality	1.494	1.494
Living Wage/Other Cost Pressures		
Living Wage, including NCHC inflation and sleepover rate changes	1.200	2.652
IJB Specific costs eg SLA for Audit and Legal Services and External Audit Fee	0.051	0.070
John Street costs (one off 2016/17 only)	0.303	0.000
Mental Health Officer new post	0.008	0.048
Patient/Client Transport Coordinator Role (Fixed Term 2 years)	0.070	0.000
Legal Fees Relating to Adoption and Fostering and Adult Services	0.100	0.100
Equipment Investment (one off)	0.070	0.000
Swift Upgrade	0.118	0.002
LD - Integrated Team Leader (2 years fixed term)	0.121	
Childrens Residential Accommodation - External Placements		0.050
Qualified Social Workers		0.111
MH Commissioning	0.001	0.003
Estimated Demographic and other cost pressures	0.176	0.389
TOTAL Living Wage/Other Cost Pressures	2.218	3.425
TOTAL PROPOSED SCF SPEND	3.712	4.919
TOTAL SCF FUNDING	4.449	4.449
TOTAL Balance of funds currently proposed to c/fwd to Earmarked Reserves	0.737	(0.470)
ANTICIPATED SCF UPLIFT		1.880
ANTICIPATED TOTAL SCF	4.449	6.329
Additional Cost Pressures/Projects - Not Yet Approved		
TOTAL Living Wage/Other Cost Pressures	0.000	0.000
TOTAL Balance of funds currently available to c/fwd to HSCP Reserves	0.737	1.410
Additional Cost Pressures - Not Yet Confirmed/Approved		
The Scottish Government has agreed that Councils can reduce their funding to the HSCPs by a portion of the additional £107m ie up to their share of £80m of the additional Funds		1.410
TOTAL Balance of funds available if above cost pressures/funding reductions are applied	0.737	0.000

INVERCLYDE HSCP
INTEGRATED CARE FUND & DELAYED DISCHARGE BUDGET 2016/17
PERIOD 7: 1 April 2016 - 31 December 2016

Integrated Care Fund (ICF)				
By Organisation	Revised Budget	Projected outturn	Variance	Actuals to 31/12/16
HSCP Council	953,780	953,780	0	272,524
HSCP Council Third Sector	259,370	259,370	0	191,874
HSCP Health	351,330	351,330	0	175,782
Acute	95,000	95,000	0	0
	1,659,480	1,659,480	0	640,180
Funding				
Original funding		1,760,000		
Saving applied 15/16		(161,200)		
Savings 2016/17 (also covering in year pressures)		(100,000)		
Carry forward from 15/16		348,260		
Carry forward to 17/18		(187,580)		
Funding available		1,659,480		
Funding remaining/ (over committed) on revised budget				0

Delayed Discharge (DD)				
Summary of allocations	Revised Budget	Projected outturn	Variance	Actuals to 31/12/16
Council	769,730	769,730	0	185,176
Health	40,000	40,000	0	0
Acute	50,000	50,000	0	0
	859,730	859,730	0	185,176
Funding				
Brought forward from 2015/16		429,510		
New funding 16/17		528,000		
Funding available		957,510		
Funding remaining/ (over committed)				97,780

APPENDIX 8

INVERCLYDE HSCP - CAPITAL BUDGET 2015/16

PERIOD 7: 1 April 2016 - 31 December 2016

<u>Project Name</u>	<u>Est Total Cost</u>	<u>Actual to 31/3/16</u>	<u>Approved Budget 2016/17</u>	<u>Revised Est 2016/17</u>	<u>Actual YTD</u>	<u>Est 2017/18</u>	<u>Est 2018/19</u>	<u>Future Years</u>
	£000	£000	£000	£000	£000	£000	£000	£000
SOCIAL WORK								
Neil Street Children's Home Replacement	1,991	228	1,132	800	464	882	81	0
Crosshill Children's Home Replacement	1,682	0	57	57	2	750	750	125
John Street, Gourrock	225	0	225	225	42	0	0	0
Social Work Total	3,898	228	1,414	1,082	508	1,632	831	125
HEALTH								
Health Total	0	0	0	0	0	0	0	0
Grand Total HSCP	3,898	228	1,414	1,082	508	1,632	831	125

EARMARKED RESERVES POSITION STATEMENT

APPENDIX 9

INVERCLYDE HSCP

PERIOD 7: 1 April 2016 - 31 December 2016

Project	Lead Officer/ Responsible Manager	Total Estimated Funding £000	Phased Budget YTD £000	Actual YTD £000	Projected Spend to Yearend £000	Amount to be Earmarked for Future Years £000	Lead Officer Update
Self Directed Support / SWIFT Finance Module	Derrick Pearce / Alan Brown	43	0	0	11	32	This supports the continuing promotion of SDS. Required to be reviewed 31/03/2017.
Growth Fund - Loan Default Write Off	Helen Watson	27	1	1	2	25	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.
Integrated Care Fund/ Delayed Discharge	Brian Moore	1,992	1,129	1,044	1,992	0	The Integrated Care Fund funding has been allocated to a number of projects, including reablement, housing and third sector & community capacity projects. The total funding will change as projects move between health & council. Delayed Discharge funding has also been received and has been allocated to specific projects, including overnight home support and out of hours support.
Support all Aspects of Independent Living	Brian Moore	50	0	3	50	0	This is the balance of one off NHS funding for equipment which was not fully spent in 2015/16.
Veterans Officer Funding	Helen Watson	37	12	10	12	25	Council's contribution to a three year post hosted by East Renfrewshire Council on behalf of Inverclyde, Renfrewshire and East Renfrewshire Councils.
CJA Preparatory Work	Sharon McAleese	120	42	39	55	65	This reserve is for two years to cover the preparatory work required for the changes due in Criminal Justice.
Welfare Reform - HSCP	Andrina Hunter	315	235	181	315	0	New Funding of £306k was allocated from P&R Committee. The funding is being used for staff costs and projects, including IHeat, Starter Packs, ICOD and Financial Fitness.
Total		2,584	1,419	1,278	2,437	147	