

# AGENDA ITEM

8

**Title/Subject:** Financial Report  
**Meeting:** Integration Joint Board  
**Date:** 1 December 2017  
**Submitted By:** Chief Finance Officer  
**Action:** For Noting

## 1. INTRODUCTION

- 1.1 The purpose of this report is to provide the IJB with an updated financial position for 2017/18. The report also notes progress with the financial recovery plan and outlines the next steps for the Partnership.
- 1.2 The report also provides an update on the following areas:
- Changes to the Partnership Base Budget
  - Leadership Funding
  - Integration Funding
  - Partnership Funding
  - Reserves

## 2. RECOMMENDATION

The IJB is invited to note:

- 2.1 the changes to the Partnership Base Budget as set out in section 4 of this report
- 2.2 the financial projection for 2017/18 and the areas facing pressures as set out in section 5 of this report
- 2.3 the progress to date in developing the budget recovery plan and that further updates will be presented to the Leadership Team and the IJB
- 2.4 the use of Leadership Funding as set out in section 7 of this report
- 2.5 the projected balance of Integration Funding as set out in section 8 of this report
- 2.6 the position on reserves as set out in section 9 of this report
- 2.7 that Directions will be reviewed as part of the budget setting process for 2018/19.

### 3. BACKGROUND

- 3.1 The financial reports presented to the IJB during 2017/18 have highlighted a significant financial risk as part of the in-scope NHS budgets of the Partnership.
- 3.2 At the October meeting of the IJB, it was agreed that a sub group of the Leadership Team would be remitted to meet with the appropriate operational managers and identify opportunities for further savings or other mitigation for the 2017/18 financial risk.

### 4. 2017/18 PARTNERSHIP BUDGET

#### 4.1 Resources Available – Partnership Base Budget

The Partnership Base Budget covers the payments made by each partner to the IJB. Variations can occur due to how certain elements of the budget, for example Partnership Funding are treated. Discussions with the partners on the best way to present these areas are ongoing.

- 4.2 The base figure approved in March may be subject to variations as a result of events such as additional funding received, or adjustments to correct in-scope/out of scope budget anomalies. The movement to date in the 2017/18 base budget is shown below:

	£m
6 October 2017 Base Budget	207.758
Drawdown of Partnership Funding	0.470
Reduction in Allocations from SG	(0.037)
Hope House	0.007
FC - Self Directed Support	0.104
<b>Revised Base Budget</b>	<b>208.302</b>

- 4.3 The movements in the NHS budget are mainly due to non-recurring income allocations received. Of these, £0.470m is from Partnership Funding allocations from Integrated Care Fund and Delayed Discharge monies.
- 4.4 The reduction in allocation from the Scottish Government reflects changes to funding for the public dental service (£0.006m) and top slice funding for Children's Hospice Scotland (£0.031m).
- 4.5 The amendment from Hope House reflects monies transferred between arms of the budget – from operational to set aside as a result of 3 complex care mental health patients being transferred from out of area placements into Hope House. £0.093m was transferred out of operational and £0.100m was transferred into the set aside budget.
- 4.6 As noted above, there are numerous in year allocations to the NHS budget over the course of the year. Many of these will be for out of scope services but some may

impact on set aside or operational and universal services. The Scottish Government produce a list of the funding that has been provided to each NHS board on a monthly basis. We are working with colleagues in the NHS to use this as the basis for tracking future changes to the funding in the NHS arm of the budget.

- 4.7 The movement in the Falkirk Council budget is due to a budget which has been identified as an in scope function. This is the funding for the Self Directed Support team which is funded on a temporary basis by the Scottish Government.

## 5. FINANCIAL PROJECTION

- 5.1 The report to the October IJB noted that NHS Forth Valley were reviewing their projection reporting processes to provide more detailed projections for each Partnership. This work has been completed, albeit adjustments will no doubt be required throughout the year. Based on this information, the current projection for the Partnership is an overspend of £1.055m, an improvement of £0.485m on the position reported to the October IJB. This position assumes that the NHS Board will be able to address pressures in the Set Aside budget, as previously reported. The forecast position is reflected in Appendix 1 and summarised in the table below:

	£m
Budgets delegated to Falkirk Council (non HRA)	-
Budgets delegated to NHS Forth Valley	1.055
<b>Projected Overspend</b>	<b>1.055</b>
Budgets Delegated to Falkirk Council (HRA)	0.100

- 5.2 A summary of the main pressures is provided below:

### 5.3 Adult Social Care (Appendix 2)

Previous finance reports to the IJB have highlighted that there is pressure on the budgets related to home care provision. The number of hours provided through external home care provision continues to increase. In March 2017 the average weekly service hours for home care, provided by the private sector was 8,510. In October 2017, this figure had risen to 9,400 – an increase of 10.46% in seven months. This is being offset to an extent by a reduction in internal home care costs but this is clearly an area requiring review. A working group has been established to take forward a review of home care.

- 5.4 A new emerging pressure for the Partnership is Care Home expenditure. The number of placements had been falling slightly since January 2017 but has been starting to rise again in the last few months. Whilst the movement is still relatively small (around 10 more placements in October compared to January), the trend is not what we expected, or wanted to see. The average cost of a care home

placement is c£0.026m – 10 additional placements could reflect an increase in costs of £0.260m. This area will be closely monitored going forward.

**5.4 Adult Social Care – Housing Revenue Account**

The budget delegated to Falkirk Council in respect of Housing Revenue Account (HRA) related spend was previously projected to underspend by £0.224m. This has now changed to a projected overspend of £0.100m, reflecting a significant increase in the number of adaptation works undertaken on HRA properties. However, as previously reported, ringfenced HRA reserves of £0.275m were carried forward in the 2016/17 IJB accounts. £0.100m of the HRA reserve will be applied to offset the 2017/18 overspend.

**5.5 NHS Forth Valley (Appendix 3)**

This section of the report considers operational and universal services only. NHS Forth Valley have projected that the Set Aside element of the budget will achieve financial balance for 2017/18 and this area is not currently shown as a financial risk to the Partnership. Reporting on the Set Aside budget will have to be reviewed going forward.

**5.7** Overall the forecast position for the NHS arm of the budget shows an overspend of £1.055m, an improvement of £0.485m on the previously reported position. The report to the October IJB noted that a piece of work was underway to project the budget for the Partnership on a more detailed basis, taking into account not only known pressure areas but also over and under spends across the budget. This work has been completed which has contributed to the improved the forecast position.

**5.8** Previous reports to the IJB have flagged up four main areas of pressure in the NHS arm of the budget – prescribing, non-delivery of savings, complex care and community hospitals. These areas still present a financial risk to the Partnership.

**5.9 Prescribing**

Prescribing is causing financial pressures on a national basis due to short supply issues and increasing uptake of new medicines. The position is being monitored nationally and initial analysis suggests that the financial risk associated with short supply items may be in the region of £33m to £44m during 2017-18. This translates to a potential worst case scenario of £1.7m to £2.2m for NHS Forth Valley. The issue is compounded by the fact that short supply drugs are often the first choice of drug for a patient and in many cases there are no alternative medicines to switch to during the short supply period. It is hoped that there will be some easing of prices if market conditions improve, however this is difficult to predict and prices rarely go back to where they were before the short supply period. Note that this latter issue is being reviewed by the national Short Life Working Group on short supply. The nature of a number of the issues in prescribing means that action will be required on a national, rather than local basis.

5.10 Locally NHS Forth Valley has reported growth in the cost of drugs associated with cardiovascular conditions, immunosuppressive drugs, antipsychotic drugs and those used to treat prostate cancer.

5.11 A number of national and local workstreams have been developed to address these challenges. Given the lack of control locally, health boards in general are focussing on efficiencies through poly-pharmacy reviews, technical switches and waste/repeat prescription reductions. There has also been discussion with the Director of Pharmacy to look at using Partnership Funding to increase the resource available to carry out poly-pharmacy reviews in community hospitals and care homes. This bid is still being developed and will go through the Partnership Funding governance process.

#### 5.12 **Savings**

Delivery of planned and recurrent savings has previously been highlighted as an area of concern for the Partnership. In particular NHS Forth Valley have reported that at an NHS Board level they may have to rely on non-recurrent funding to help achieve savings delivery and that a change of pace is required. The finance report to the October IJB noted that the impact of this on the Falkirk Partnership is not clear.

5.13 The Partnership had a total savings target for 2017/18 of £5.716m broken down as follows:

	£m
Adult Social Care	2.000
NHS Forth Valley:	
Operational & Universal	2.713
Set Aside	1.003
<b>Total Savings Required</b>	<b>5.716</b>

5.14 In March 2017, the IJB were presented with a list of saving for both arms of the Partnership Budget. In addition, NHS colleagues have presented a number of Cases for Change reports to the IJB. To enable the Board to keep track of progress on deliver of savings for both partners a saving tracker is being developed. The aim of this tracker will be to provide a summary of the savings presented to the IJB, the savings initially anticipated, the current projected saving and any shortfall. Where a saving is not been implemented for any number of reasons, this information will be included in the tracker.

5.15 Scrutiny of savings plans and delivery is being carried out as part of the work on the budget recovery plan, outlined in section 6 of this report.

#### 5.16 **Complex Care & Community Hospitals**

The pressures in these two areas are as outlined in previous finance reports to the IJB. One of the pressure areas affecting Community Hospitals is the use of bank

staff to cover sickness absence etc. This spend is also linked to keeping winter beds open and the issues previously raised around the ward 5 beds at Falkirk Community Hospital. This type of spend has been tightly managed this year and as a result of that, and the closure of the ward 5 beds, spend has reduced from £0.108m in April to £0.046m in October on a Forth Valley wide basis. Nonetheless, the impact of the ward 5 prolonged opening is still affecting the outturn position.

- 5.17 The Winter Plan for NHS Forth Valley is included elsewhere in this agenda, including resource implications. Discussions are now focussed on how the Partnership can get itself into a better state of readiness for Winter. This includes supporting an increase in home care and discharge to assess, reducing the numbers going into Community Hospitals and making a concerted effort to move on those who are currently in the hospital system but could be cared for at home or in a community setting.
- 5.18 Further scrutiny of the costs associated with complex care and community hospitals is being carried out as part of the work on the budget recovery plan, outlined in section 6 of this report.

## **6. BUDGET RECOVERY PLAN**

- 6.1 As approved at the October meeting of the IJB, meetings have been held with members of the Leadership Team, finance managers and operational general and service managers to identify opportunities for recovery of the 2017/18 budget. These meetings were well attended and constructive but also recognised the scale of the challenges facing the NHS arm of the budget, and the short timescale for addressing these challenges in 2017/18. The meetings considered not only what savings may be possible but also considered some of the processes in place for identifying, developing and reporting on savings.
- 6.2 Whilst these sessions were positive, it is recognised and accepted that balancing the budget for the NHS arm of the Partnership budget will be extremely difficult and is looking increasingly unlikely. However, at this stage it is difficult to quantify with any certainty the likely gap. The nature of some of the savings means that many of them will not be recognised until nearer the year end. In addition, areas such as prescribing can be volatile with some decisions – such as patents and short supply – causing significant variances, outwith both the NHS and the Partnerships control. Finally, the Scottish Government provides funding to the NHS throughout the financial year which provides a further level of uncertainty.
- 6.3 The sub group established is well placed to consider the impact and possible mitigation of such issues on an ongoing basis. As such, it is recognised that meetings of the group will need to continue over the coming months. The output from such meetings will be reported back to the Leadership Team and the IJB.
- 6.4 A summary of areas identified for urgent review which could help to recover, at least partially, the financial position is given below:

<b>Saving Description</b>
Community Services Directorate – reviewing current vacancies & other non pay expenditure efficiencies
Community Services Directorate – cessation of health improvement spend for remainder of the financial year
Community Hospitals – a review is underway of the Out of Hours provision
Prescribing – work is continuing to look at technical switches albeit there are capacity issues in this area.
Prescribing – a review on the FV wide spend on Riveroxaban is underway to try and ensure that this expensive option is not the first option prescribed unless this is unavoidable. FV wide policy is that this should not be the first choice.

- 6.5 The potential savings in the table above have not been included in the projection figures provided at paragraph 5.1.
- 6.6 Unless further savings are identified, it is likely that the NHS arm of the budget will continue to be in an overspend position. The recovery plan process has improved with staff working collaboratively to identify solutions. However, it is likely that further steps, as set out in the Integration Scheme will need to be enacted. As in the previous report, the relevant extract from the Integration Scheme is set out in Appendix 4.

## **7. LEADERSHIP FUNDING**

- 7.1 In March 2017 the IJB agreed to remit £1m of Partnership Funding to the Leadership Group to enable effective and timeous allocation of resources to respond to need, effect action, increase pace of change and improvement within key priority areas aligned with the Strategic Plan. Once funding proposals have been considered by the Leadership Group and approved by the Chief Officer, they will be presented to the Chair and Vice Chair for agreement.
- 7.2 Spend against the £1m allocation is as follows:

	<b>£m</b>
Original Allocation	1.000
Less: ADL Smartcare	(0.053)
Discharge to Assess	(0.750)
Graduate Placements	(0.036)
Temporary Posts to support the roll out of Eligibility Criteria	(0.037)
<b>Current Available Balance</b>	<b>0.124</b>



- 7.3 The full year costs for Discharge to Assess have been allocated against the Leadership Fund. However, to date Adult Social Care Services have been able to use underspends to meet some of the costs of this project. Given the risks within the Adult Social Care budget, the full allocation for Discharge to Assess has been set aside. If it is not required, the funds can be reallocated.
- 7.4 Funding requests will continue to be considered using the agreed governance process noted above and will be reported back to the IJB as appropriate.

## 8. INTEGRATION FUNDING

- 8.1 The Finance Report to the June IJB noted that £1.430m of Integration Funding had been put into reserves at the 2016/17 year end. In 2017/18 a further £10.110m was received from the Scottish Government and was fully allocated to Adult Social Care mainly to cover the costs of the living wage and demographic pressures.
- 8.2 The Partnership is considering the best use of the £1.430m and will report back to the IJB with an investment plan. However, the Business Plan included in this agenda includes a proposal to use £0.700m to offset cost pressures in Adult Social Care in 2018/19. Whilst it is recognised that using reserves in this way is not sustainable, the proposal is that this non-recurring use of funds will allow the Partnership time to deliver some of the transformational changes required.

## 9. PARTNERSHIP FUNDING

- 9.1 Partnership Funding covers two areas – Integrated Care Fund and Delayed Discharge monies, both received from the Scottish Government. A breakdown of the funding available for 2017/18 is shown below:

	<b>£'000</b>
Balance Carried into Reserves	1,340
2016/17 Funding Returned	79
New Allocations from SG	3,662
<b>Total Available</b>	<b>5,081</b>
Less Committed	(3,046)
<b>Current Available Balance</b>	<b>2,035</b>

- 9.2 Details on funding recommendations for these balances are included in a separate report on Partnership Funding on this agenda.

## 10. RESERVES

- 10.1 As at 31st March 2017 the IJB had £4.841m of reserves, subject to external audit. Included in this figure is the £1m earmarked for Leadership Funding.

- 10.2 An analysis of these reserves and their projected balance at the end of the year is included at Appendix 5.
- 10.3 The reserves policy and strategy will be updated before the financial year end and an update provided to the IJB.

## **11. DIRECTIONS**

- 11.1 The finance report to the October IJB noted that both Internal and External audit have recommended that a review is undertaken of the Falkirk IJB's use of Directions. A scoping exercise, looking at how Directions have been used across Scotland has been undertaken and will feed into the review work. It is evident that some Integration Authorities have taken a much more detailed and specific approach in their use of Directions.
- 11.2 It is worth noting that the Directions currently used by the Falkirk IJB state:
- a) The functions will be carried out consistent with the existing policies of the partner;
  - b) The functions will be carried out in a manner consistent with the strategic plan; and
  - c) No material change will be made to policies or service provision within the functions unless agreed by the IJB.
  - d) The financial resources which are available to carry out the functions which are the subject of the directions.
- 11.3 There are a number of service delivery reviews being undertaken across the Partnership. According to current Directions the Partnership need to approve/agree material changes. In order to ensure that all Partners and the IJB are clear on what service delivery changes have been agreed/approved, it may be helpful to adopt more detailed Directions in these areas. This will be considered as part of the budget setting process for 2018/19.
- 11.4 It is worth confirming that any material changes to policies and service provision which have not been agreed by the IJB would be a breach of the existing Directions. As such, funding will not automatically be provided for such changes, even if the changes cover an in-scope function.

## **12. CONCLUSIONS**

- 12.1 This report provides a projected outturn for the Falkirk Partnership for 2017/18. There remains a significant risk of the Partnership overspending by £1.055m and a number of financial pressures and risks remain.
- 12.2 As approved by the October IJB, a sub group of the Leadership Team along with operational service managers has been meeting to explore opportunities for

improving the financial outlook. This group will continue to meet and updates will be provided to both the Leadership Team and the IJB. However, it is unlikely that the Partnership will fully recover the projected overspend for 2017/18. In this event, the steps laid out in the Integration Scheme will need to be explored further.

### **Resource Implications**

The resource implications are considered in the body of the report.

### **Impact on IJB Outcomes and Priorities**

The budget sets out the overall resources available to the Partnership to support delivery of the Strategic Plan.

### **Legal & Risk Implications**

The main financial risks facing the Partnership are considered in the body of the report.

### **Consultation**

The Chief Officer of the IJB, Chief Finance Officer of Falkirk Council and Assistant Directors of Finance of NHS Forth Valley have been consulted on this report.

### **Equalities Assessment**

The budget may include savings proposals which involve service change. These should all be subject to an Equality Assessment.

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Approved for submission by: Patricia Cassidy, Chief Officer, Falkirk IJB

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**Date:** 10 November 2017

**List of Background Papers:** The papers that may be referred to within the report or previous papers on the same or related subjects.

# FALKIRK HEALTH AND SOCIAL CARE PARTNERSHIP

## PROJECTED OUTTURN STATEMENT 2017/18 AS AT 31/10/2017

	<u>Budget</u>	<u>Projected</u> <u>Outturn</u>	<u>(Fav)/ Adv</u> <u>Variance</u>	
	£m	£m	£m	%
Adult Social Work Services	70.565	70.665	0.100	0.1
Falkirk Council Spend to Save	0.325	0.145	(0.180)	-
NHS Forth Valley	137.412	138.467	1.055	0.8
<b>Sub - Total</b>	<u>208.302</u>	<u>209.277</u>	<u>0.975</u>	<u>0.5</u>
Use of Earmarked Reserves	-	0.876	0.876	-
<b>NET EXPENDITURE</b>	<u>208.302</u>	<u>210.153</u>	<u>1.851</u>	<u>-</u>
<b><u>Funded By :</u></b>				
Falkirk Council Contribution	60.455	60.455	-	-
Falkirk Council Spend to Save Contribution	0.325	0.145	(0.180)	-
NHS Forth Valley Contribution	137.412	137.412	-	-
Integration Funding (via Health Boards)	10.110	10.110	-	-
Leadership Funding	-	0.876	0.876	-
<b>NET INCOME</b>	<u>208.302</u>	<u>208.998</u>	<u>0.696</u>	<u>-</u>
<b>SURPLUS/(DEFICIT)</b>	<u>-</u>	<u>(1.155)</u>	<u>(1.155)</u>	<u>-</u>
Transfer from HRA Reserves		0.100		
Transfer to Integration Fund Reserves		-		
<b>Projected Outturn</b>		<b>(1.055)</b>		

LOCAL AUTHORITY BUDGETS	ANNUAL BUDGET			YTD ACTUALS			FORECAST FOR FINANCIAL YEAR	
	£m	£m	£m	£m	£m	£m	£m	£m
	INITIAL ANNUAL BUDGET	BUDGET ADJUSTMEN TS	REVISED ANNUAL BUDGET	YEAR TO DATE BUDGET	YEAR TO DATE EXPENDITURE	YEAR TO DATE VARIANCE	FORECAST EXPENDITURE	FORECAST VARIANCE
Older People	3.009	0.302	3.311	1.655	1.659	0.004	3.319	0.008
Mental Health	0.605	(0.032)	0.573	0.287	0.276	(0.011)	0.551	(0.022)
Learning Disability	0.296	0.030	0.326	0.163	0.164	0.000	0.327	0.001
Physical Disability	0.635	0.064	0.699	0.350	0.351	0.001	0.701	0.002
Adult Support and Protection	0.188	(0.089)	0.099	0.049	0.037	(0.012)	0.075	(0.024)
Carers	0.050	(0.002)	0.048	0.024	0.018	(0.007)	0.035	(0.013)
Care at Home	30.299	0.260	30.559	15.280	15.305	0.025	30.609	0.050
Residential Care	22.674	(0.100)	22.574	11.287	11.459	0.172	22.919	0.345
Respite Care	1.307	(0.103)	1.204	0.602	0.546	(0.056)	1.091	(0.113)
Day Care/ Services: PD,LD,OP,MH	4.104	0.160	4.264	2.132	2.003	(0.129)	4.006	(0.258)
MECS/Telecare/Telehealth	0.601	(0.035)	0.566	0.283	0.318	0.035	0.637	0.071
Housing with Care/Sheltered Accommodation	1.098	0.055	1.153	0.576	0.596	0.020	1.193	0.040
Shopping Service	0.014	0.010	0.024	0.012	0.018	0.006	0.035	0.012
Equipment and Adaptations	0.420	(0.000)	0.420	0.210	0.212	0.002	0.425	0.005
Advocacy	0.096	(0.000)	0.096	0.048	0.045	(0.003)	0.089	(0.006)
Sensory Team	0.455	(0.098)	0.357	0.179	0.130	(0.048)	0.260	(0.097)
Mental Health Team	0.297	(0.002)	0.295	0.147	0.145	(0.003)	0.289	(0.006)
Learning Disability Team	0.586	0.001	0.587	0.293	0.329	0.035	0.657	0.071
JLES	0.328	(0.026)	0.302	0.151	0.151	0.000	0.302	0.000
Day Care/Centre: MH	0.167	0.099	0.266	0.133	0.099	(0.034)	0.198	(0.069)
Sensory Resource Centre	0.079	(0.000)	0.079	0.039	0.034	(0.006)	0.067	(0.012)
Voluntary Organisations	0.554	0.000	0.554	0.277	0.285	0.008	0.570	0.016
Garden Aid	0.489	0.000	0.489	0.245	0.245	0.000	0.489	0.000
Housing Aids and Adaptations	1.200	0.000	1.200	0.600	0.650	0.050	1.300	0.100
Improvement Grants	0.327	0.000	0.327	0.164	0.164	0.000	0.327	0.000
IJB Operation	0.193	0.001	0.194	0.097	0.097	0.000	0.194	0.000
Integration Fund	(9.920)	(0.190)	(10.110)	(5.055)	(5.055)	0.000	(10.110)	0.000
<b>TOTAL LOCAL AUTHORITY BUDGETS</b>	<b>60.151</b>	<b>0.304</b>	<b>60.455</b>	<b>30.227</b>	<b>30.277</b>	<b>0.050</b>	<b>60.555</b>	<b>0.100</b>

## Notes:

1. Breakdown of Falkirk Council's contribution to IJB as

General Fund payment to IJB	£58.410	£0.304	£58.714
HRA Payment to IJB	£1.414		£1.414
Capital	£0.327		£0.327
	<u>£60.151</u>	<u>£0.304</u>	<u>£60.455</u>

2. YTD expenditure and YTD variance is calculated on pro rata basis.

## NHS Forth Valley, Health & Social Care Integration Board Level IJB Financial Report 2017 Period 7 (October)

### Falkirk IJB £

Scope	Category Reference & Name	Annual Budget F IJB	YTD Budget F IJB	YTD Actuals F IJB	YTD Variance F IJB
Set Aside	.2 Accident and Emergency Services	6,181,043	3,607,656	3,737,984	(130,328)
	.3a Inpatient Hospital Services General Medicine	3,142,159	1,834,283	1,802,044	32,238
	.3b Inpatient Hospital Services Geriatric Medicine	4,420,825	2,573,280	2,734,980	(161,700)
	.3c Inpatient Hospital Services Rehabilitation Medicine	1,425,786	831,851	855,957	(24,106)
	.3d Inpatient Hospital Services Respiratory Medicine	1,174,673	685,713	694,129	(8,415)
	.3e Inpatient Hospital Services Psychiatry of Learning Disability	1,333,422	777,830	806,480	(28,651)
	.4 Palliative Care (Hospital Based)	1,068,168	623,098	618,383	4,715
	.7 Mental Health Inpatient Services	6,307,600	3,648,303	3,914,022	(265,719)
<b>Set Aside</b>	<b>Sub Total</b>	<b>25,053,677</b>	<b>14,582,014</b>	<b>15,163,979</b>	<b>(581,965)</b>
Operational	.8 District Nursing Services	4,164,104	2,429,061	2,465,420	(36,359)
	.9 Community Addiction Services	2,949,757	1,820,878	1,772,803	48,074
	.10 Community Based AHP Services	6,204,255	3,619,282	3,582,509	36,773
	.11 Public Dental Service	1,039,964	606,646	613,651	(7,005)
	.17 Services provided outwith a hospital in relation to geriatric medicine	1,101,836	642,738	567,301	75,437
	.18 Palliative Care (delivered in Community)	79,853	46,581	47,011	(430)
	.19 Community Learning Disability Services	800,409	459,211	350,617	108,594
	.20 Community Mental Health Services	5,285,798	3,082,296	2,956,787	125,510
	.21 Continence Services	190,526	111,140	84,461	26,679
	.23 Services Provided by health professionals to promote public health	1,415,001	834,122	766,293	67,829
	.24 Community Hospitals (recurrent budget)	5,561,772	3,245,125	3,689,873	(444,748)
	.RTs Resource Transfer	11,253,081	6,564,297	6,564,299	(2)
	.JPA Joint Partnership Agreements	1,856,889	1,110,717	1,380,317	(269,600)
	.PF Partnership Funds (ICF/ Delayed Discharge / Bridging)	1,374,137	1,374,137	1,380,578	(6,441)
	.Pass Integration Fund Pass Through Funding	10,110,000	5,897,500	5,897,500	0
	.ResCF IJB Reserves Cfwd	(40,256)	(40,256)	(40,256)	0
<b>Operational</b>	<b>Sub Total</b>	<b>53,347,127</b>	<b>31,803,475</b>	<b>32,079,164</b>	<b>(275,689)</b>
Universal	.12 Primary Medical Services (GMS Contract)	22,066,138	12,324,197	12,106,015	218,182
	.13 Primary Dental Services (GDS Contract)	8,654,821	4,896,031	4,879,164	16,867
	.14 Community Ophthalmic Services	3,010,097	1,785,365	1,785,365	0
	.15 Community Pharmaceutical Services	34,282,323	21,355,408	21,709,489	(354,081)
	.16 GP Out of Hours Services	1,360,697	762,104	763,397	(1,293)
<b>Universal</b>	<b>Sub Total</b>	<b>69,374,076</b>	<b>41,123,107</b>	<b>41,243,430</b>	<b>(120,323)</b>
<b>Total</b>		<b>147,774,880</b>	<b>87,508,595</b>	<b>88,486,572</b>	<b>(977,978)</b>



## **8.5 In-year overspend on the Integrated Budget**

8.5.1 Where there is a projected overspend against an element of the Integrated Budget, the Chief Officer, the Chief Finance Officer of the Integration Joint Board and the relevant finance officer and operational manager of the constituent Party must agree a recovery plan to balance the overspending budget.

8.5.2 If the recovery plan is unsuccessful, the Integration Joint Board may increase the payment to the affected Party, by either:

- I. utilising an under spend on another arm of the Integrated Budget to reduce the payment to that Party; and/or
- II. utilising the balance of the general fund, if available, of the Integration Joint Board in line with the reserve policy.

8.5.3 If the recovery plan is unsuccessful and there are insufficient general fund reserves to fund a year end overspend, then the Parties have the option to:

- I. make additional one-off payments to the Integration Joint Board, based on an agreed cost sharing model; or
- II. provide additional resources to the Integration Joint Board which are then recovered in future years, subject to scrutiny of the reasons for the overspend and assurance that there is a plan to address this; or
- III. access the reserves of the Integration Joint Board to help recover the overspend position.

8.5.4 The exception is for overspends that arise due to material differences between assumptions used in setting the payments to the Integration Joint Board and actual events (e.g. pay inflation). Unplanned overspends



effectively represent underfunding by the Parties with respect to planned outcomes and the cost should be met by the relevant Party, subject to the financial capacity of the relevant Party.

**ANALYSIS OF RESERVES**

	Balance 01/04/2017 £m	Spend £m	Transfers £m	Misc. £m	Projected Balance 31/03/2018 £m	Future Year Allocations 2018/19 £m
General Reserve	0.213	-	-	-	0.213	-
Housing Revenue Account (HRA)	0.275	(0.100)	-	-	0.175	-
Sensory Strategy	0.047	(0.002)	-	-	0.045	(0.045)
Leadership Fund	1.000	(0.876)	-	-	0.124	-
Integration Fund	1.430	-	-	-	1.430	(0.700)
Partnership Fund	1.340	(3.046)	3.741	-	2.035	-
Primary Care Transformation & Mental Health	0.322	(0.168)	0.530	-	0.684	(0.407)
Transforming Urgent Care	0.214	(0.086)	-	-	0.128	(0.149)
Survivors of Trauma - Phase 2	-	-	0.030	-	0.030	(0.030)
<b>TOTAL</b>	<b>4.841</b>	<b>(4.278)</b>	<b>4.301</b>	<b>-</b>	<b>4.864</b>	<b>(1.331)</b>

Note 1

**Notes**

- 1     Proposals for using this fund are included in a separate report on the 1 December 2017 IJB agenda.