

WEST DUNBARTONSHIRE COUNCIL

Report by the Director of Community Health and Care Partnership

Community Health and Care Partnership Committee: 19 February 2014

Subject: Financial and Capital Works Report for the period ended 31 December 2013 (NHS Only)

1. Purpose

The purpose of the report is to provide an update of the financial planning by the NHS Board and by the CHCP.

2. Recommendations

The Committee is asked to note the content of the Financial and Capital Works Report for the period ended 31 December 2013.

3. Background:

The report provides an update of the financial planning by the NHS Board and by the CHCP, and of the overall revenue position of the CHCP and its Capital Programme for 2013/14 (NHS only).

4. Main Issues:

Financial Planning for 2014/15 and beyond

4.1 The Board is now developing a medium-term Financial Strategy looking to 2014/15 and 2015/16. It is expected that the overall savings target for each of these two years may not be vastly different from that in 2013/14 (around £35m). However, the very large level of savings from Prescribing in 2013/14 is unlikely to be repeated and so the level of savings from Acute and Partnerships is likely to have to be much higher.

4.2 A number of the CHP Directors, together with senior Partnership Finance staff, have been assessing what has been developed from the various local and system-wide events which have taken place over the last few months. A further meeting of Partnerships Quality, Performance and Resources is being held on 20 February. By this time we should have greater clarity on the HB's financial challenge for both 14/15 and 15/16 and the impact on partnerships. In the meantime, Financial Planning around the savings requirement and savings initiatives continues.

Revenue Position 2013/14

4.3 West Dunbartonshire CH(C)P (NHS-only) revenue position reported for the period ended 31 December 2013 was £42,000 underspent. This is broadly in line with a full-year forecast position of an underspend of £50,000.

- 4.4 Funding has been provided for the additional costs in 2013/14 of the specialist care package for which the CHCP took responsibility in 2010/11. A high level of activity within the provision of community equipment through the Equipu service has resulted in continued overspending in this area. However, this continues to be offset by underspending within Physio, Planning & Health Improvement expenditure and within Accommodation & Admin.
- 4.5 Significant additional funding has been provided to the CHCP for the running costs of the new Vale Centre, and also for MSK Physio, in the CHCP's role in managing the Board-wide service, to allow the waiting times to be brought into line with the new HEAT target.
- 4.6 The overall summary position is reported in the table below, with further comments on the significant variances highlighted in section 4.11 of this report. An additional detailed breakdown of individual costs at care group level is reported in Annexe 1 of this report.

	Annual Budget £000	Year to Date Budget £000	Year to Date Actual £000	Variance £000
Pays	25,803	18,607	18,435	172
Non Pays	53,806	39,172	39,302	(130)
	79,609	57,779	57,737	42
Less Income	(5,059)	(2,390)	(2,390)	0
Net Expenditure	74,550	55,389	55,347	42

Significant Variances

- 4.7 Comments on significant issues are noted below:
- **Mental Health – Adult Community Services** was £3,000 overspent year to date. The Crisis Service was overspent as a result of the impact of the previous year's savings. There is also a recurring pressure within the Management pays budget. These are offset by pays underspends within the Primary Care Mental Health Team and the Community Mental Health Team resulting from staff turnover and vacancies.
 - **Mental Health – Elderly Services** reported an underspend of £17,000 year to date. Vacancies and non pays underspends within Elderly Mental Health Inpatient services are offsetting pressures within Elderly Community pays and travel.
 - **Learning Disabilities** reported an underspend of £17,000, as a result of vacancies within Admin, Speech & Language Therapy and Dietetics.
 - **Adult Community Services** reported an overspend of £102,000. Equipu (community equipment service) is overspent by £147,000. This is being offset by an MSK Physio underspend of £89,000 arising from vacancies, maternity leave and posts going through recruitment.

- **Planning and Health Improvement** reported an underspend of £21,000 as a result of vacancies, maternity leave and long term sickness absence. These vacancies have now been filled and cover is in place for maternity leave. The potential cost of relocating the team from Leven Valley to Garshake Road may reduce the current underspend in coming months.
- **Other Services** (incorporating Accommodation & Admin, and Executive) reported an underspend of £71,000 mainly arising from vacancies.
- **Prescribing:** a cost neutral position has been included in the December Financial Report at CHCP level. However, the actual results show an overall NHSGGC over-spend position, based upon an extrapolation of the actual performance to July. It is now anticipated that increased premiums for drugs on short supply will continue for the remainder of the financial year resulting in an over-spend for 2013/14. This over-spending is likely to be reflected in individual CHCP's future financial reporting in 2013/14 and work is ongoing to assess the full impact.

Capital Programme 2013/14

4.8 Formula Capital

It had been expected that, as 13/14 formula capital funding had been brought forward to spend in 12/13, that there would have been little, if any, formula capital in 13/14. However, the CHCP received an initial allocation of £79,000 and has recently received a second allocation, giving a total of £130,000. Priorities have been identified by the CHCP Capital Group as follows:

Project	Allocation (£000)
Replace and upgrade of CCTV cameras in Dumbarton Health centre and CHC	14
Dumbarton Joint Hospital additions	33
Feasibility Study of reviewing accommodation in DHC	10
Replacement of windows in DHC	10
Partial refurbishment 2 clinical rooms in CHC	13
Clydebank HC – encapsulation and new windows	50
Total	130

5. People Implications

5.1 There are no people implications, arising from this report.

6. Financial Implications

- 6.1** Other than the financial position noted above, there are no financial implications of the budgetary control report.

7. Risk Analysis

- 7.1** The main financial risks to the ongoing financial position relate to currently unforeseen issues arising between now and the financial year-end. Any significant issues will be reported to future Committee meetings.

8. Equalities Impact Assessment (EIA)

- 8.1** Not required for this report.

9. Consultation

- 9.1** This report is for information only and relates only to the NHS element of the CHCP, with no requirement for consultation.

10. Strategic Assessment

- 10.1** This report provides an update on the CHCP's revenue and capital position (NHS only) and does not seek to affect the Council's main strategic priorities.



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Appendix : Financial Statement 1 April 2013 to 31 December 2013

Background Paper: None

Wards Affected: All

Appendix 1
West Dunbartonshire Community Health Partnership
Financial Year 1 April 2013 to 31 December 2013

	Annual Budget £000	Year to Date Budget £000	Year to date Actual £000	Year to date Variance £000	% Variance
Expenditure					
Mental Health (Adult)	4,445	3,347	3,350	(3)	(0.09%)
Mental Health (Elderly)	3,164	2,346	2,329	17	0.72%
Addictions	1,962	1,418	1,414	4	0.28%
Learning Disabilities	588	411	394	17	4.14%
Adult Community Services	10,843	7,622	7,724	(102)	(1.34%)
Children & Families	4,479	3,298	3,296	2	0.06%
Planning & Health Improvement	1,211	790	769	21	2.66%
Family Health Services (FHS)	23,464	17,583	17,583	0	0.00%
Prescribing	16,443	12,489	12,489	0	0.00%
Other Services	3,169	1,763	1,692	71	4.03%
Resource Transfer	7,519	5,639	5,639	0	0.00%
Hosted Services	847	604	589	15	2.48%
Change Fund	1,475	469	469	0	0.00%
	79,609	57,779	57,737	42	0.07%
Income	(5,059)	(3,418)	(3,418)	0	0.00%
Net Expenditure	74,550	54,361	54,319	42	0.08%

Members should note that NHS GG&C financial convention of reporting underspends as positive variances (+) and overspends as negative variances (-) has been adopted for all financial tables within the report.