

WEST DUNBARTONSHIRE COUNCIL

Report by the Director of Community Health and Care Partnership

Committee: 28 March 2012

**Subject: Financial and Capital Works Report for the
period ended 31 January 2012 (NHS Only)**

1. Purpose

- The Committee is asked to note the content of the Financial and Capital Works Report for the period ended 31 January 2012.

2. Background:

The report provides an update of the overall year to date revenue position of the CHCP and of the CHCP's Capital Programme for 2011/12 (NHS only).

3. Main Issues:

3.1 Financial Planning for 2012/13

At a Board level, Financial Planning is now focused on 12/13. An assessment of expected funding uplifts together with the cost of incremental pay and other inflationary pressures means that we are again looking for savings of around £50m.

At the Partnerships level, our strategy has been to look at the likely savings requirement for the coming four years and to consider our budgets, service by service, assess the redesign programmes and plans currently in place and what savings we might expect from these. This strategy sees a shift in emphasis from achieving savings locally at a CHP level to achieving savings at a system-wide level. This matches the changes in the management of a number of services, particularly within AHPs, and will allow better continuity for services and equity across the system.

At a CHP level, we have contributed to these system-wide savings. However, an overall shortfall in these savings plans has resulted in the balance being allocated across the CHPs on a pro-rata basis. However, the savings plans submitted by West Dunbartonshire are deemed to be sufficient and so the CHCP will not receive any additional savings target.

3.2 Revenue Position 2011/12

West Dunbartonshire CH(C)P's (NHS-only) revenue position reported for the period ended 31 January 2012 was an underspend of £3,000. The improvement from the position at the end of November 2011 (overspend of £78,000) can largely be attributed to the reduction in the prescribing overspend, which has reduced by £50,000 in the period. The forecast position is for breakeven overall but the volatility in the prescribing variance could result in a slight deviation from this. The NHS Board has accepted this position.

The summary position is reported in the table below with further comments on the significant variances highlighted in section 3.3 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	20,383	17,065	17,070	(5)
Non Pays	54,795	45,257	45,249	8
	75,178	62,322	62,319	3
Less Income	(5,630)	(4,516)	(4,516)	0
Net Expenditure	69,548	57,806	57,803	3

3.3 Significant Variances

Comments on significant issues are noted below:

- **Mental Health – Elderly Services** reported an overspend of £98,000. This occurs mainly within Psychology, together with medical pay (which has been overspent in previous years) and OT pay (where funding for an additional post is being clarified).
- **Addictions** reported an underspend of £6,000 within the Community Addictions Team, partially offset by pressure from the Glasgow Addictions Service recharge.
- **Learning Disabilities** reported an underspend of £30,000. This is within pays partly as a result of staff in post being on lower increments than allowed for within the budgets.
- **Children's & Families** reported an underspend of £71,000. This is a result of a vacant consultant post within Specialist Children's Services, staff retirements within Health Visiting, and a senior Speech & Language Therapy post, held pending the application of the Resource Allocation Model.
- **Family Health Services** reported an overspend of £38,000 within General Medical Services. There remains a shortfall of funding within the Qualities and Outcomes Framework.

- **Health & Community Care** reported an overspend of £247,000. This has occurred within a number of different areas. The CHCP's share of a specialist care package commenced last financial year has contributed £144,000 to this overspend year to date. Podiatry, a service which has suffered from the impact of the loss of income from the Argyll & Bute CHP Service Level Agreement and the Resource Allocation Model, has contributed a further £42,000. In addition, there are pressures within District Nursing, where the Resource Allocation Model has seen reductions in budget over and above the savings requirements; and within Continence, Community Equipment, and the Out of Hours Service.
- **Planning and Health Improvement** reported an underspend of £65,000. This is a result of the secondment of the Health Improvement manager, vacancies within the core team and slippage within non-core funding.
- **Executive & Admin** reported an underspend of £137,000. This was a result of admin vacancies and the clinical director vacancy, together with a non-recurring benefit from accrual reversals.
- **Prescribing** reported an overspend of £26,000. This recognises the fact that the NHS Board is forecasting an overall overspend position, and reflects the CHP's share of that overspend. Across the whole NHS Board area, there is an overall overspend forecast on prescribing costs. A significant contributor is a world-wide 'short supply' issue for 9 drugs which has resulted in significantly increased costs for the whole NHS Board
- **Hosted Services** reported an underspend of £78,000, where both Retinal Screening and the Integrated Eye Service continue to underspend.

3.4 Capital Programme 2011/12

- Formula Capital

The CHCP has been allocated £64,000 of formula capital plus backlog maintenance of £27,000. The CHCP's Capital Group has met to prioritise capital bids and has prioritised the following projects:

Project	Cost (£)
Refurbish 2 GP consulting rooms at DHC	
Refurbish 1 public toilet at DHC	
Refurbish 2 GP consulting rooms at CHC	
Refurbish 1 public toilet in black suite	
Fire exit door at CHC	
Worn flooring in DHC and CHC – do in stages	
Total	91,000

These works have been tendered to the value of £91,000. In addition, central funding has been provided to allow the demolition of the Clyde Unit.

4 People Implications

- 4.1 There are no people implications, other than a number of current vacant posts.

5 Financial Implications

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

6 Risk Analysis

- 6.1 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.

7 Equalities Impact Assessment (EIA)

- 7.1 No significant issues were identified in a screening for potential equality impact of this report.

8 Strategic Assessment

- 8.1 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.

9 Conclusion and Recommendations

- 9.1 There is an adverse variance shown at the end of November 2011 of £53,000. This is matched by the CHCP's share of the NHS Board's overall variance on prescribing costs.

- 9.2 This report is submitted for Committee's consideration and comment.

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Director.

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Appendix : Financial Statement 1 April to 31 January 2012

Background Paper: None

Wards Affected: All