

## WEST DUNBARTONSHIRE COUNCIL

Report by the Director of Community Health and Care Partnership

Community Health & Care Partnership Committee: 25 January 2012

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**Subject: Financial and Capital Works Report for the period ended 30 November 2011 (NHS Only)**

**1. Purpose**

- The Committee is asked to note the content of the Financial and Capital Works Report for the period ended 30 November 2011.

**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 has moved on to 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 4 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. What this strategy means is that there is 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.

### 3.2 Revenue Position 2011/12

West Dunbartonshire CHCP's (NHS-only) revenue position reported for the period ended 30 November 2011 was an overspend of £78,000. As can be seen from the detailed revenue statement in annexe 1, this matches the overspend allocated to the CH(C)P in respect of the overall NHS Board overspend within prescribing costs. Overall, therefore, non-prescribing budgets are in balance and are forecast to remain in balance for the full-year.

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.

	<b>Annual Budget</b>	<b>Year to Date Budget</b>	<b>Year to Date Actual</b>	<b>Variance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Pays	20,206	13,536	13,665	( 129)
Non Pays	54,886	35,764	35,713	51
	75,092	49,300	49,378	( 78)
Less Income	(5,611)	(3,158)	(3,158)	0
Net Expenditure	<b>69,481</b>	<b>46,142</b>	<b>46,220</b>	<b>( 78)</b>

### 3.3 Significant Variances

Comments on significant issues are noted below:

- **Mental Health – Elderly Services** reported an overspend of £79,000. This occurs mainly within Psychology, and the Glenkirk Residential Centre, which has been transferred from West Glasgow. Additional budget is being sought. In addition, medical pay (which has been overspent in previous years) and OT pay (where funding for an additional post is being clarified) are also showing pressures
- **Addictions** reported an underspend of £22,000 within the Community Addictions Team, partially offset by pressure from the Glasgow Addictions Service recharge.
- **Learning Disabilities** reported an underspend of £19,000. 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 £74,000. This is a result of a vacant consultant post within Specialist Children's Services, and a senior Speech & Language Therapy post.
- **Family Health Services** reported an overspend of £30,000 within General Medical Services. There remains a shortfall of funding within the Qualities and Outcomes Framework.

- **Health & Community Care** reported an overspend of £315,000. This has occurred within a number of different areas. The CHCP's share of a specialist care package commenced last financial year has contributed a further £113,000 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 £78,000. 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, the Out of Hours Service.
- **Planning and Health Improvement** reported an underspend of £104,000. 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 £134,000. 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 £78,000. 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 'short supply' issue for 9 drugs which has resulted in significantly increased costs for the whole NHS Board
- **Hosted Services** reported an underspend of £63,000, where both Retinal Screening and the Integrated Eye Service continue to underspend.

### 3.4 Capital Programme 2011/12

Details of the CHCP's capital programme for 2010/11 are summarised below:

- Alexandria Health & Care Centre

Project Cost - £20.8m

- The FBC has been approved by the NHS Board's Quality and Performance Committee and was considered by the Health Department's Capital Investment Group on 16 December 2011. It is anticipated that a final decision will be communicated to NHS GG&C during January 2012, to allow the development to progress to the construction delivery phase.
- Section 75 agreement has been signed and agreed by NHS GG&C and WDC, with registration expected imminently.
- Electricity has now been disconnected.
- IT connection has now been resolved.
- Estates are currently working on the isolation of the water supply.

- Mock up room will be completed by end of December.
- The roof has been removed and Laing O'Rourke will complete the demolition of the rest of the building and tree felling once full planning consent granted. Harry will let Soumen know the demolition date in order to arrange a photo opportunity.
- Formula Capital

The CHCP has been allocated £64,000 of formula capital. The CHCP's Capital Group has met to prioritise capital bids and has requested costings for the following projects:

Demolition of Clyde unit
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

Actual works will depend on more detailed costings for these projects.

#### **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.

Keith Redpath  
Director.  
**6.1.12**

**Person to Contact:** Jonathan Bryden, Head of Finance - Clyde CHPs (0141 842 6230)

**Appendix :** Financial Statement 1 April to 30 November 2011

**Background Paper:** None

**Wards Affected:** All

**Annexe 1**  
**West Dunbartonshire Community Health Partnership**  
**Financial Year 1 April 2011 to 30 November 2011**

	<b>Annual Budget</b>	<b>Year to Date Budget</b>	<b>Year to date Actual</b>	<b>Year to date Variance</b>	<b>% Variance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	
<b>Expenditure</b>					
Mental Health (Adult Community)	4,468	2,991	2,983	8	0.27%
Mental Health (EMI)	2,999	1,995	2,074	( 79)	(3.96%)
Addictions	1,659	871	849	22	2.53%
Learning Disabilities	582	387	368	19	4.91%
Health & Community Care	5,487	3,573	3,888	( 315)	(8.82%)
Children & Families	4,637	3,088	3,014	74	2.40%
Planning & Health Improvement	1,269	825	721	104	12.61%
Family Health Services (FHS)	24,359	16,294	16,324	( 30)	(0.18%)
Prescribing	18,040	12,128	12,206	( 78)	(0.64%)
Executive & Admin, Accommodation costs & Other	1,885	1,244	1,110	134	10.77%
Resource Transfer	7,339	4,893	4,893	0	0.00%
Hosted Services	1,484	918	855	63	6.86%
Change Fund	884	93	93	0	0.00%
	75,092	49,300	49,378	( 78)	-0.16%
<b>Income</b>	<b>(5,611)</b>	<b>(3,158)</b>	<b>(3,158)</b>	0	0.00%
<b>Net Expenditure</b>	<b>69,481</b>	<b>46,142</b>	<b>46,220</b>	<b>( 78)</b>	<b>(0.17%)</b>

*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.*