

Stephen Brown (Chief Officer)

Orkney Health and Social Care Partnership

01856873535 extension: 2601

OHACfeedback@orkney.gov.uk



Agenda Item: 9

Integration Joint Board

Date of Meeting: 30 August 2023.

Subject: Revenue Expenditure Outturn.

1. Purpose

1.1. The purpose of this report is to advise of the revenue outturn position for financial year 2022/23.

2. Recommendations

The Integration Joint Board is invited to note:

2.1. The revenue expenditure outturn statement in respect of the Orkney Health and Social Care Partnership for financial year 2022/23, as detailed at section 4.1 of this report, which indicates a balanced position.

2.2. That additional funding of £375.7K was received from Orkney Islands Council at the year end to fund the overspend against budget for out of Orkney placements relating to children's services.

2.3. That further additional funding of £1,396K was received from Orkney Islands Council at the year end to achieve a balanced position.

2.4. The revenue expenditure outturn statement in respect of the Set Aside budget for financial year 2022/23, as detailed at section 6 of this report, which indicates a year end balanced position.

2.5. That additional funding of £1,377K was received via NHS Orkney to achieve a year end balanced position for Set Aside services.

3. Financial Summary

3.1. Within the Integration Joint Board (IJB), presentation of the figures is consistent with the Council's approach. Positive figures illustrate an overspend and figures within a bracket show an underspend. This is the opposite way within NHS reports.

3.2. Within the Integration Scheme it states that, throughout the financial year, the Board shall receive comprehensive financial monitoring reports. The reports shall set out information on actual expenditure and budget for the year to date and forecast

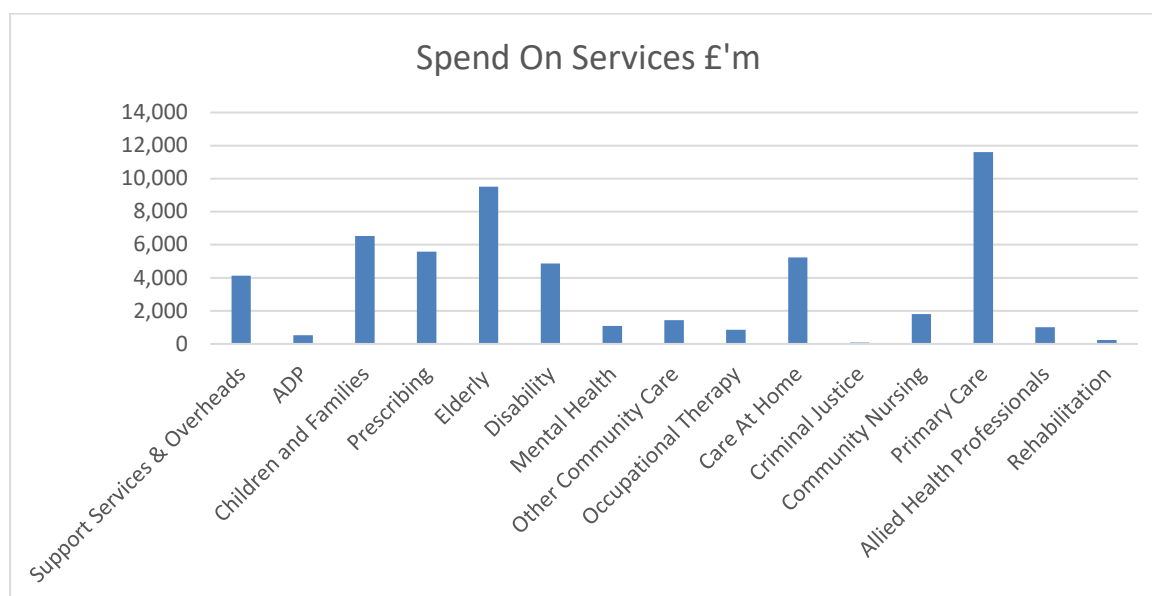
outturn against annual budget together with explanations of significant variances and details of any action required.

4. Financial Position

4.1. The following table shows the year end financial position, for IJB delegated services, excluding set aside, as at 31 March 2023.

IJB Delegated Services	Full Year Spend	Annual Budget	Over/(Under) Spend	
	£000	£000	£000	%
Support Services & Overheads	4,124	3,969	155	103.9
ADP	529	553	(25)	95.5
Children and Families	6,531	5,931	600	110.1
Prescribing	5,578	5,358	220	104.1
Elderly	9,516	8,481	1,035	112.2
Disability	4,865	4,617	248	105.4
Mental Health	1,088	1,314	(226)	82.8
Other Community Care	1,433	1,353	80	105.9
Occupational Therapy	857	838	18	102.2
Care At Home	5,231	5,064	167	103.3
Criminal Justice	84	141	(58)	59.3
Community Nursing	1,804	1,804	0	100.0
Primary Care	11,614	11,966	(352)	97.1
Allied Health Professionals	1,009	1,029	(21)	98.0
Rehabilitation	236	273	(37)	86.4
Service Totals	54,498	52,692	1,806	
Other Figures				
Covid 19	(872)	(768)	(104)	
Reserves	(1,307)	(861)	(446)	
Additional funding		1,396	(1,396)	
Savings	0	(140)	140	
	52,320	52,320	0	

4.2. The current net spend can be illustrated as follows:



4.2.1. Support Services and Overheads (£155K overspend).

The main cause of the overspend was due to the cost of upgrading the case management system, PARIS of £107K and an overspend against budget for administration staff of £147K. There was an underspend against budget in COVID-19 costs of £104K.

4.2.2. Children and Families (£600K Overspend).

Overspends in the service related to Braeburn resource centre of £407K, where the practice has been for the Council to provide funding for this service at financial year end, and the intensive fostering service being £200K overspend against budget.

4.2.3. Prescribing (£220K overspend).

The trend of overspend against budget for prescribing continued into the 2022/23 financial year.

4.2.4. Elderly (£1,035K overspend).

There was a continued reliance on agency staffing due to recruitment issues and long-term sickness absence within residential care homes. £598K of agency expenditure was incurred during the 2022/23 financial year in this service. In total the cost of providing residential care homes was £771K overspent against budget. The cost of providing day care centres was overspent against budget by £51K.

The trend of increasing volume of need for the provision of residential care by third parties outwith Orkney continued into the 2022/23 financial year with spend exceeding budget by £115K.

Direct payments were £90K over budget for the year.

4.2.5. Disability (£248K overspent).

Provision of learning disability supported accommodation was £109K overspent against budget. Expenditure with service providers was £62K overspent against budget. Out of Orkney support placement was £93K overspent against budget.

4.2.6. Mental Health (£226K underspend).

The underspend is due primarily to staffing costs. There was an underspend for mental health costs in the year of approximately £150K on Psychological Therapies after agency nursing costs were allocated to COVID-19 expenditure. The option of allocating these costs to COVID-19 expenditure will no longer be available from the 2023/24 financial year. A further £41K relates to staff vacancies.

4.2.7. Other Community Care (£80K overspend).

Main overspends within Other Community Care includes Child and Adolescent Mental Health Services (CAMHS) of £196K and agency staff costs of £184K. Underspends were as a result of staff vacancies and reduced supplier purchases.

4.2.8. Care at Home (£167K overspend).

There was a continued reliance on agency staffing due to recruitment issues and increasing demand within the Care at Home service. £885K was spent on agency staff within the Care at Home service.

There are further recruitment campaigns scheduled for Care at Home staff which will hopefully reduce the reliance of agency staff to some degree in the future.

A shortage in permanent staff offsets, in financial terms, most of the agency cost overspend.

4.2.9. Criminal Justice (£58K underspend).

There were some vacancies within the team.

4.2.10. Primary Care (£352K underspend).

There was an underspend within community dental services due to vacancies.

4.2.11. Rehabilitation (£37K underspend).

There were some vacancies within the team.

5. Set Aside

5.1. The following table shows the year end position as at 31 March 2023:

Set Aside Budgets	Spend	Budget	Variance	Year End Actual	Annual Budget	Over/(Under) Spend		Variance
	YTD £000	YTD £000	YTD £000			£000	%	
Acute Services	1,857	1,480	377	1,857	1,480	377	125.5	
Medical Team - Junior Doctors	1,265	1,257	8	1,265	1,257	8	100.6	
Medical Team - Consultants	1,085	1,053	32	1,085	1,053	32	103.0	
Assessment & Rehab	1,790	1,744	46	1,790	1,744	46	102.6	
Hospital Drugs	1,316	677	639	1,316	677	639	194.4	Increases in drug prices (and growth) have been greater than inflationary uplift.
Emergency Department	1,139	940	199	1,139	940	199	121.2	Some posts are unfunded
Acute Mental Health Placements (Ayr Clinic)	210	342	(132)	210	342	(132)	61.4	Fewer patients as been moved to community based services
Sub Total	8,662	7,493	1,169	8,662	7,493	1,169		
Memorandum Budget - Off Island Acute Services								
Unplanned Activity (UNPACS) other Scottish Boards	583	542	41	583	542	41	107.6	
SLA Healthcare Purchasing - Grampian Mental Health	782	709	73	782	709	73	110.3	Increased activity for 3 yaer rolling average
SLA Healthcare Purchasing - Grampian Block Contract	166	166	0	166	166	0	100.0	
SLA Healthcare Purchasing - Lothian	177	83	94	177	83	94	213.3	Increased activity for rolling 3 years
Sub Total	1,708	1,500	208	1,708	1,500	208		
Additional year end funding		1,377	-1,377		1,377	(1,377)		
Total Set Aside	10,370	10,370	0	10,370	10,370	0		

6. Contribution to quality

Please indicate which of the Orkney Community Plan 2023 to 2030 values are supported in this report adding Yes or No to the relevant area(s):

Resilience: To support and promote our strong communities.	No.
Enterprise: To tackle crosscutting issues such as digital connectivity, transport, housing and fuel poverty.	No.
Equality: To encourage services to provide equal opportunities for everyone.	No.
Fairness: To make sure socio-economic and social factors are balanced.	Yes.
Innovation: To overcome issues more effectively through partnership working.	No.
Leadership: To involve partners such as community councils, community groups, voluntary groups and individuals in the process.	No.
Sustainability: To make sure economic and environmental factors are balanced.	Yes.

7. Resource and financial implications

7.1. The revenue expenditure outturn indicates a balanced position for financial year 2022/23.

7.2. Additional contributions of £375.7K in regard to child out of Orkney placements and a further £1,396K were received from the Council for the IJB to receive a balanced year end position for non Set Aside services.

7.3. Additional funding of £1,377K was received via NHS Orkney to achieve a year end balanced position for Set Aside services.

7.4. To date £259K of savings have been identified for the IJB. This compares to a savings target of £4,200K, as detailed in Annex 2.

7.5. Reliance cannot be placed on year end additional funding being available from funding partners in future years.

8. Risk and equality implications

8.1. The Board is responsible for ensuring that its business is conducted in accordance with the law and proper standards; that public money is safeguarded; properly accounted for; and used economically, efficiently and effectively.

8.2. Reliance cannot be placed on year-end additional funding being available in future years. There is therefore a risk that the current level of service provision may not be affordable in future years.

9. Direction required

Please indicate if this report requires a direction to be passed to:

NHS Orkney.	No.
Orkney Islands Council.	No.

10. Escalation required

Please indicate if this report requires escalated to:

NHS Orkney.	No.
Orkney Islands Council.	No.

11. Author and contact information

11.1. Peter Thomas (Chief Finance Officer), Integration Joint Board. Email: peter.thomas@orkney.gov.uk, telephone: 01856873535 extension 2611.

12. Supporting documents

12.1. Annex 1: IJB Reserves / Holding Account.

12.2. Annex 2: Identified Savings to Date.

Annex 1: IJB Reserves / Holding Account

	£000.
	At 31.03.23.
Primary Improvement Plans.	362.
Other Primary Care.	308.
Action 15 – Mental Health.	48.
Hospital At Home.	304.
Alcohol and Drugs Prevention.	354.
Mental Health.	405.
Children and Family Services.	4.
Local Improvement Fund.	82.
Workforce Wellbeing.	14.
Multidisciplinary Teams.	145.
Funding for Bands 2-4.	223.
Nurse Support for Adult Social Care.	180.
Young Patients Family Fund.	15.
Others*.	11.
Total.	2,455.

*Note: This is in relation to smaller funding streams that gets allocated to cost centre once costs are known.

Annex 2: Identified Savings to Date

			£000.
NHS Savings Target.			2,400.
OIC Savings.			1,800.
Overall Savings Target.			4,200.
	Recurring.	Non- Recurring.	Total Savings.
	£000.	£000.	£000.
Reduction in Photocopying Costs.	1.		
Removal of grants paid to Lunch Clubs.	37.		
Removal of Sleep-ins within Local Authority Care Homes.	77.		
Staffing Restructure.	30.		
Reduction in Un-utilised Budget.	25.		
Increase in Residential Care Income.	37.		
Increase in Very Sheltered Income.	32.		
Additional Income to IJB Budget.	20.		
			<hr/> 259.
Unidentified Savings.			3,941.