

REPORT TO ABERDEENSHIRE INTEGRATION JOINT BOARD 7 DECEMBER 2022

FINANCE UPDATE AS AT 30 SEPTEMBER 2022

1 Recommendation

The Integration Joint Board (IJB) is recommended to:

- 1.1 Consider and comment on the financial position set out in the report at 6.3 and 6.8 and Appendices 1 and 2;
- 1.2 Approve the budget adjustments detailed in Appendices 1 and 3;
- 1.3 Note position relating to additional funding in Section 7; and
- 1.4 To refer to the IJB Audit Committee the reason for the use of delegated powers by reason of special urgency as referred to in Section 8.2.

2. Reason for Report

- 2.1 This report provides the financial monitoring information for the 2022/23 financial year. It covers the six month period up to the end of September 2022.

3. Financial Implications from 2021/22

- 3.1 The audited Annual Accounts show a surplus for 2021/22 of £28.5 million. This was largely due to additional funding allocated to the IJB in early 2022 by the Scottish Government. The underspend against the revenue budget for 2021/22 was £3.311 million. The overall position is shown in the table below: -

	01/04/21	Movement	31/03/22
	£m	£m	£m
General Fund Reserve	4.597	3.311	7.908
Earmarked Reserves:-			
Alcohol & Drug Partnership	0	1.267	1.267
Headquarters	0	1.138	1.138
Criminal Justice	0	0.017	0.017
Adult Services Mental Health	0	0.339	0.339
JES – Analogue to Digital	0	0.050	0.050
Specialist Services & Strategy	0	0.120	0.120
Primary Care Improvement Fund	3.430	2.322	5.752
Action 15 – Mental Health	1.234	0.549	1.783
Mental Health – Recovery & Renewal Fund	0	0.632	0.632
GP Premises Funding	0	0.295	0.295
Covid-19	7.038	18.372	25.410
Staff Wellbeing Funding	0	0.084	0.084
Stonehaven Dental Practice	0.400	0	0.400
Community Living Change Fund	0.815	0	0.815
Risk Fund	3.050	0	3.050
Total Reserves	20.564	28.496	49.060

3.2 Budget Savings 2022/23 and Revenue Budget 2023/24

Budget Savings 2022/23

The savings identified within the 2022/23 budget require to be reviewed as part of the current detailed budget setting process for financial year 2023/24 to ensure that the savings are recurring in nature and to take account of any pressure on Travel and Subsistence budgets due to the impact of the fuel crisis and potential increase in travel (offset by increased use of technology) and the pressure that we may start to see on our external care providers and potential requests for funding support. For reference the approved savings at the meeting of the IJB in June 2022 were as follows -

- **National Care Home Contract - £856,000**
- **Social Care Uplifts - £2.21 million**
- **Travel and Subsistence - £125,000**

It should be noted that it was not proposed to use any of the IJB's projected General Reserve at the end of the 2021/22 financial year to support the financial position in 2022/23. As we can see as we have moved through the financial year this current proposal will require to be reviewed in line with any material ongoing pressures and the discussion around the mitigation of these.

Revenue Budget 2023/24 Update

Work continues on the preparation of the Revenue Budget for 2023/24 for submission to the IJB in March 2023 for approval. A workshop was held on 9 November which provided members with an update on the current year financial position, the reserves position and the pressures identified at this point in time that we are likely to see in financial year 2023/24.

It was agreed a subsequent workshop will take place on 16 December to report and discuss the recommendations following the initial workshop, with particular attention on potential options to mitigate the pressures identified in 2023/24.

We continue to work in conjunction with our partners to ensure a balanced budget position for 2023/24 and we await the funding announcement from the Scottish Government on 19 December and the implications that may have on the assumptions currently built into the 2023/24 budget assumptions.

4. Covid 19 Continuing Financial Impact

4.1 The Covid 19 pandemic continues to have a financial impact on the IJB across many areas. Examples are:

- The continued need for PPE and higher infection control standards.
- Sustainability payments to social care providers have been extended beyond 21/22 to the end of September 2022.

4.2 The financial impact of Covid 19 will be felt for a considerable period of time as services move from into the recovery and renewal phase. It will be some time before there is an overall identification of all the financial implications of changes in the way services are delivered in future by the IJB. Regarding funding, at the current time the costs incurred in 2022/23 will be met from the earmarked IJB's Covid reserve. The likelihood is that the majority of Covid funding will not continue beyond 2022/23. We continue to work with our partners across the NHS Grampian area to set realistic forecasts regarding those delegated and non-delegated vaccination costs in line with funding available. Work is also ongoing to fully realise the potential budget impact for 2023/24 and beyond based on National Guidelines for vaccination provision. This is forming part of the detailed budget work in setting the 2023/24 IJB Revenue Budget.

4.3 **Scottish Government Funding Updates**

IJB Covid Reserves

The Scottish Government's Director of Health Finance and Governance in a letter dated 12th September stated that there have been a number of significant changes to Public Health policies in relation to Covid over the summer, resulting in the profile of Covid spend reducing significantly compared to when funding was provided to IJBs for Covid purposes in February 2022.

In response to this, the Scottish Government will reclaim surplus Covid reserves to be redistributed across the sector to meet current Covid priorities. The detail of this will follow at an IJB level and the process and timetable will follow through further communications. In order for the sector to have sufficient levels of Covid funding, compliance with current policies is required.

This is an in year adjustment to reserves and is not an approach that will impact on future years. Future Covid related costs will need to be considered as part of the overall budget envelope that is agreed through the usual Scottish Government budget process in 2023-24 and beyond.

Further to this the Interim Deputy Director – NHS, Integration and Social Care Finance confirmed the following -

- We plan to use the Q2 return numbers to inform the full year spend projection,
- Adjustment through the November allocation letter in early December.
- No adjustments should be made for Unscheduled care and PPE. PPE will not be charged for in 22/23 and will still be met by NSS.
- Due to the wider financial challenge this year, IJBs must continue to bear down on Covid costs. IJBs should utilise other funding streams and reserve balances such as interim care, care at home and other residual reserve balances to meet pressures on additional capacity.

Quarter 2 information was forwarded to the Scottish Government in October 2022 and we await confirmation of the adjustment through the revised allocation letter in early December 2022.

Primary Care Improvement Fund (PCIF)

Following queries from Integration Authorities on the methodology for the tranche two Primary Care Improvement Fund, we can confirm that the total PCIF allocation for 2022-23 will be £170m funding allocated on an NRAC basis, less reserves held as at 31 March 2022. The tranche two allocations will therefore be reduced to reflect increased reserve positions as at 31 March 2022. In some instances, partnerships will already have received their full allocation for 22-23 when taking into account their tranche one allocation and reserves held as at 31 March 2022.

5. Risks

- 5.1 IJB Risk 1 Sufficiency and affordability of resource.
- 5.2 This report is key to managing this risk as it highlights areas of movement when compared to the agreed budget. In a number of instances actions are required to address the forecast movement from budget, with initial discussions taking place at the Senior Management Team to agree any action to be taken.

6. Current Financial Position & Forecast for the Year

- 6.1 This is the second financial monitoring report to the IJB for the 2022/23 financial year. This report covers the financial position to the end of September 2022 compared to the agreed budget set in March 2022, adjusted for any agreed budget movements since the start of the year and approved savings to balance budget.
- 6.2 The focus for the Senior Management Team is on the forecast year end position as at 31st March 2023 which is included in this budget update and will continue to be reported on throughout 2022/23 financial year.
- 6.3 A summary position is shown in the table below with more detail in **Appendix 1**. This shows actual net expenditure to the end of September 2022:

Summary: September 2022/23 Financial Position

	Revised Year to Date Budget 2022/23 £000's	Actual to 30 September 2022 £000's	Variance to 30 September 2022 £000s	Variance %
Health & Social Care	177,885	177,934	49	0.03%
Funds	432	487	55	12.73%
Set aside budget	15,143	15,143	0	0%
2022/23 Position	193,459	193,563	104	0.05%

- 6.4 From the summary table it can be seen that:

- There is a **small overspend of £0.104 million** at the end of September 2022.
- **Health** budgets are showing an **overspend of £0.888 million** for the year to date.
- **Social Care** budgets are showing an **underspend of £0.839 million** for the year to date.
- **Funds** are showing a small **overspend of £0.055 million**.
- The **Set Aside** budget is **break even** at this stage.

6.5 These figures do not include any additional costs of dealing with Covid which are referenced in Section 4 above.

6.6 Health service budgets are showing an **overspend of £888,000** at the end of September. The most significant overspends are on Allied Health Professionals, Other Direct Patient Care, GP Prescribing and Health Centre Management. Financial pressure is still being experienced on the Community Mental Health budget due to continuing high levels of agency locum costs for medical staff.

6.7 Social Care budgets are showing an **underspend of £839,000** at the end of September. The main areas of underspends are within Headquarters, Adult Services Day Care and Mental Health, Community Occupational Therapy Service and Older People Homecare.

Appendix 2 provides detail of material variances regarding the year to date position.

6.8 The forecast for the year has been prepared based on the August results and is shown in the table below:

Summary: Forecast for the Financial Year as at 30 September 2022

	Revised Budget 2022/23 £000's	Forecast 2022/23 £000's	Forecast Variance 2022/23 £000s	Forecast Variance %
Health & Social Care	353,786	354,793	1,007	0.28%
Funds	(1,135)	(1,267)	(132)	(11.63%)
Set aside budget	32,349	32,349	0	0
2022/23 Position	385,000	385,875	875	0.23%

6.9 From the summary table it can be seen that:

- An **overspend of £0.875 million** is being forecast for the year (underspend of £0.761m reported as per August 2022), equating to 0.31% of the IJB budget.

The movement in the forecast position is in relation to large adverse movements, firstly in other direct patient care due to the high costs of locums and in prescribing, due to both price and volume increases. These forecasts, in line with all other budget lines, will continue to be reviewed and mitigations

applied where applicable to achieve a break even position come the end of the financial year.

6.10 The budget virements proposed for approval at **Appendix 1** also include reconciliations to the revised budget. The revised budget is, therefore, subject to the approval of the virements.

6.11 A number of significant financial risks continue and have been highlighted as we progress through the financial year, per **Appendix 1**, and will continue to be managed as the year progresses:

- **Health Centres Management** - This overspend is the result of several factors including the costs of an agreement to partially support the cost of employing locum medical staff at an independent GP practice, increased energy costs, increased commercial rent, reduced income due to the fact that a formerly independent practice is now salaried and the cost of medical supplies.
- **Other Direct Patient Care** - This overspend is principally the result of the requirement to employ locum GPs to maintain continuity of service at salaried medical practices. The spend on locums during the period was partially offset by underspends against vacant substantive posts
- **GP Prescribing Costs** – Data indicates significant item price increases, attributed to the impact of short supply causing a spike in prices. An overall 4.1% volume increase for the 6 months to September was higher than anticipated following a period of increased volumes in 21/22.
- **Community Mental Health** - The bulk of this overspend is accounted for by a variance against locum medical staffing, partially offset by an underspend against substantive medical staffing.
- **Adult Services – Community Care** - Client Care Packages are currently over budget. All care packages continue to be reviewed but at this point, committed packages vary significantly from budget.
- **Older People – Care Management** - The cost of care packages is higher than budget. Finance service in conjunction with budget holders continue to review high level packages. An increase in care at home provision post Covid, both in terms of referral numbers and complexity of cases, has been identified.
- **Older People – Very Sheltered Housing** - Recruitment continues to be an issue in the complexes. Agency staff are being used which has resulted in an overspend in the staffing line at present. Continuing staffing shortages have meant there are vacancies resulting in lower income than expected.

7 Additional Funding

7.1 Aberdeenshire Council

At the Council meeting on 24th June 2021 Aberdeenshire Council agreed to allocate funding of £3.0 million to mitigate a number of risks identified in the IJB budget and support a number of measures to support mental wellbeing and transformation of services of services across Aberdeenshire. This funding is extremely welcome and the IJB has put in place project arrangements to commit the funding.

7.2 Recent Senior Management Team meetings have approved funding to the following projects to support early intervention and prevention in dealing with mental wellbeing issues and transformational work:

- Chaplaincy Community Listening Services (£136k)
- Live Life Aberdeenshire Physical Activity Pathway (£207k)
- Digital Supported Self Management for Long Term Conditions in Primary Care (£128k)
- Delivering Child Healthy Weight Services (£71k)
- Togetherall Digital Platform (£162k)
- Support for Out of Area, Complex Care and MHL D projects (£353k)
- Care at Home Additional Resources (£109k)

Further detail on each of these projects can be provided on request. The IJB is continuing to review requirements of projects to commit the funding with the intention to utilise uncommitted funding in 2022/23.

7.3 Winter Funding for Health and Social Care

The Scottish Government confirmed a range of measures and new investment on 5 October 2021 relating to Winter Planning for Health and Social Care.

The confirmed funding as at February 2022 covers the following areas –

- Recruitment of Support Staff - £0.504m
- Enhancement of Multi-Disciplinary Teams - £0.848m
- Provision of Interim Care - £1.698m
- Expanding Care at Home Capacity - £2.632m
- Social Care Pay Uplift - £1.633m

Plans were developed and costed to ensure that where possible the funding was implemented in 2021/22, if possible, to ensure the aims of the various funding streams with particular focus on recruitment.

Due to the timing of receipt of the funding the majority of the funding was carried forward to financial year 2022/23 and £2m of the underspend has been utilised in the creation of the new Service Capacity and Redesign reserve as approved by the IJB in August 2022 to support the review of our Strategic Priorities and to also support achievement of savings and efficiencies to meet the challenges faced by potentially reduced funding, coupled with increased costs. The plans for this reserve will be presented in detail to the Partnerships SMT and progress reviewed by IJB during 2022/23 and beyond.

8 Emergency Powers

- 8.1 A report was presented to the IJB in June 2022 which approved the continued use of the Home Care Service system and direction was issued to Aberdeenshire Council to direct award the contract.

In line with IJB governance the report was presented to the Councils Communities Committee in September 2022 to acknowledge the use of delegated powers by the Chief Officer of Health and Social Care by reason of special urgency in respect of direct awarding contract of the Home Care System to the existing supplier through the Data and Application Solutions Framework allowing the Home Care Service to continue to operate in an efficient and effective manner.

- 8.2 At the Communities Committee meeting in November 2022 a request was made that the Chief Finance Officer, Health and Social Care Partnership, will report to the Integration Joint Board on 7 December, 2022 with a recommendation that this matter be referred to the IJB Audit Committee to give consideration to how the position was reached whereby delegated powers by reason of special urgency required to be used.

9 Monitoring

- 9.1 The Chief Officer and the Legal Monitoring Officer within Business Services of the Council have been consulted in the preparation of this report and any comments have been incorporated.

10 Equalities, Staffing and Financial Implications

- 10.1 An equality impact assessment is not required because the recommended actions are not considered to have a differential impact on people with protected characteristics.
- 10.2 Any staffing and financial implications arising directly as a result of this report are narrated in the report.

Chris Smith
Chief Finance and Business Officer
Report prepared 23 November 2022

ABERDEENSHIRE INTEGRATED JOINT BOARD

Appendix 1

	ACTUAL 2021/22 £'000	REVISED BUDGET 2022/23 as at 31/8/22 £'000	BUDGET ADDNS/ DEDNS SEPTEMBER 2022/23 £'000	BUDGET VIREMENTS SEPTEMBER 2022/23 £'000	REVISED BUDGET 2022/23 as at 30/9/22 £'000	YTD REVISED BUDGET 2022/23 as at 30/9/22 £'000	ACTUAL TO as at 30/9/22 £'000	%	VARIANCE TO END SEPT 2022/23 £'000	FORECAST 2022/23 AS AT END SEPT £'000	FORECAST VARIANCE 2022/23 £'000	NOTES
Health & Social Care												
NHSG Core Services												
a)	1,755	1,824		1	1,824	854	827	45.31%	(28)	1,830	5	
b)	10,091	9,687		208	9,895	5,486	5,514	55.72%	27	9,962	67	
c)	751	688			688	344	376	54.65%	32	752	64	
d)	17,758	18,517		55	18,572	9,265	9,101	49.01%	(164)	18,178	(394)	A
e)	1,381	1,325			1,325	663	660	49.80%	(3)	1,320	(5)	
f)	822	950			950	475	317	33.32%	(158)	633	(317)	B
g)	2,710	2,596		52	2,648	1,302	1,251	47.25%	(51)	2,502	(146)	
h)	5,373	5,813			5,813	2,906	2,795	48.09%	(111)	5,590	(223)	C
i)	(129)	(605)			(605)	(303)	105	(17.42)%	408	211	816	D
j)	6,391	5,469		21	5,490	2,773	2,735	49.81%	(38)	5,470	(21)	
k)	3,003	4,053		121	4,174	2,204	3,129	74.97%	925	5,214	1,040	E
l)	676	845			845	388	333	39.35%	(55)	592	(253)	
m)	423	418			418	209	202	48.46%	(6)	390	(28)	
n)	4,174	3,790		22	3,812	1,897	1,679	44.04%	(218)	3,994	182	F
1	55,179	55,370	0	479	55,849	28,463	29,024	51.97%	561	56,637	788	
2	44,031	42,804		(30)	42,775	21,422	20,554	48.05%	(868)	41,108	(1,667)	G
3	45,895	47,383			47,383	23,633	23,989	50.63%	357	49,034	1,651	H
4	10,664	9,189	11	178	9,377	4,979	6,012	64.11%	1032	11,217	1,840	I
5	16,546	17,114	193		17,307	8,605	8,526	49.27%	(79)	17,095	(212)	
6	(0)	0	(67)	67	0	0	(0)	(1.58)%	(0)	0	(0)	
7	3,584	3,572			3,572	1,498	1,383	38.71%	(115)	2,624	(948)	J
TOTAL OF ABOVE	175,898	175,432	136	694	176,262	88,600	89,488	50.77%	888	177,715	1,453	
8	83	95			95	48	0	-	(48)	95	0	
9	8,097	9,256	26		9,281	5,041	2,803	30.20%	(2239)	6,281	(3,000)	K
10	4,283	4,491	(10)		4,481	2,229	2,191	48.89%	(38)	4,481	0	
11	272	240	(1)		239	120	148	61.94%	28	299	60	
12	11	51	(13)		38	26	26	67.89%	0	38	0	
13	-	1	(1)		1	0	0	95.14%	0	1	0	
14	44,773	50,871	(7)		50,864	25,436	26,729	52.55%	1294	52,864	2,000	L
15	5,046	6,053	(13)		6,040	3,028	2,303	38.12%	(725)	5,053	(987)	M
16	1,944	1,970	(3)		1,967	986	929	47.25%	(56)	1,970	3	
17	409	559	(4)		555	279	198	35.58%	(82)	408	(147)	
18	5,173	6,933	(17)		6,916	3,468	3,063	44.28%	(405)	6,432	(484)	N
19	1,790	1,833	(8)		1,825	916	986	54.02%	70	1,832	7	
20	4,351	4,466	(12)		4,454	2,233	1,647	36.97%	(586)	4,454	0	O
21	(1,075)	(573)	(2)		(575)	(286)	586	(101.99)%	872	(270)	305	P
22	1,708	2,599	(3)		2,596	1,300	1,207	46.48%	(93)	2,346	(250)	
23	318	312	(1)		311	156	211	67.95%	55	334	23	
24	54,477	57,748	(66)		57,682	28,872	30,591	53.03%	1719	59,854	2,172	Q
25	(20)	0			0	0	0	-	0	0	0	
26	506	790	(3)		788	395	210	26.66%	(185)	788	0	R
27	15,398	15,956	(102)		15,855	7,980	7,092	44.73%	(888)	15,255	(600)	S
28	9,902	9,548	(4)		9,543	4,774	4,935	51.71%	161	9,743	200	T
29	4,688	4,568	(2)		4,566	2,284	2,591	56.75%	307	4,818	252	U
Funds	162,132	177,768	(244)	0	177,524	89,285	88,446	49.82%	(839)	177,078	(446)	
30	643	800			800	400	273	34.19%	(127)	724	(76)	V
31	14	64			64	32	8	12.12%	(24)	16	(48)	
32	0	7			7	0	0	-	0	0	(7)	
33	0	0			0	0	71	100.00%	71	0	0	
34	0	(2,003)		(271)	(2274)	0	0	-	0	(2,274)	0	
35	0	(514)		(93)	(607)	0	0	-	0	(607)	0	
36	0	284		(1)	283	0	0	-	0	283	0	
37	9	0			0	0	0	-	0	0	0	
38	3,057	0			0	0	0	-	0	0	0	
39	0	0			0	0	6	100.00%	6	0	0	
40	0	0			0	0	129	100.00%	129	0	0	W
41	0	274			274	0	0	-	0	274	0	
42	0	405			405	0	0	-	0	405	0	
43	0	242		(329)	(87)	0	0	-	0	(87)	0	
	3,724	(441)	0	(694)	(1,135)	432	487	(42.93)%	55	(1,267)	(132)	
Sub total	341,753	352,759	(108)	(0)	352,651	178,317	178,421	50.59%	104	353,526	875	
44	32,349	32,349		0	32,349	15,143	15,143	46.81%	0	32,349	0	
2022/23 Position	374,102	385,108	(108)	(0)	385,000	193,459	193,563	50.28%	104	385,875	875	

Variance Notes September 2022

<u>Note</u>	<u>Service</u>	Over/(within) budget to end September 2022 £'000	<u>Narrative</u>
A	Community Hospitals	(164)	Shire Community Hospitals underspend £(164,000) £(386,000) of this underspend was generated by 12 posts being vacant on average during the period, partially offset by an £80,000 under recovery of income and an overspend of £142,000 against supplies costs.
B	Shire Community Mental Health	(158)	Shire Community Mental Health underspend £(158,000) This underspend resulted from an average of 6.99 wte posts being vacant during the period.
C	District Nursing	(111)	District Nursing underspend £(111,000) This underspend resulted primarily from an average of 4.07 wte posts being vacant during the period.
D	Health Centres Management	408	Health Centres Management overspend £408,000 This overspend is the result of several factors including the costs of an agreement to partially support the cost of employing locum medical staff at an independent GP practice, increased energy costs, increased commercial rent, reduced income because a formerly independent practice is now salaried and the cost of medical supplies.
E	Other Direct Patient Care	925	Other Direct Patient Care overspend £925,000 This overspend is principally the result of having to employ locum GPs to maintain continuity of service at salaried medical practices. £925,000 was spent on locums during the period, which was partially offset by underspends against vacant substantive posts.
F	Support Services	(218)	Support Services underspend £(218,000) The underspend against the budget for Support Services during the period arose primarily because of there being a number of vacant posts, geographically distributed across Aberdeenshire.

<u>Note</u>	<u>Service</u>	<u>Over/(within) budget to end September 2022</u>	<u>Narrative</u>
G	Primary Care	(868)	<p>Primary Care underspend £(868,000)</p> <p>This underspend reflects the benefit of a rates refund in respect of prior years. Reductions to business rates and water charges will confer a recurring benefit going forward.</p>
H	GP Prescribing	357	<p>GP prescribing overspend £357,000</p> <p>Data indicates significant item price increases, attributed to the impact of short supply causing a spike in prices. An overall 4.1% volume increase for the 6 months to September was higher than anticipated following a period of increased volumes in 21/22.</p>
I	Community Mental Health	1,032	<p>Community Mental Health overspend £1,032,000</p> <p>The bulk of this overspend is accounted for by an adverse variance against medical staffing of £892,000, consisting of unbudgeted expenditure of £1,154,000 against locum medical staffing, partially offset by an underspend of £(262,000) against substantive medical staffing due to vacant posts. In addition to this, there was an overspend against nursing during the period of £238,000 as a result of numbers in post exceeding establishment. Conversely, there was an underspend of £(86,000) against allied health profession staff due to vacancies.</p>
J	Out Of Area	(115)	<p>Out of Area underspend £(115,000)</p> <p>This underspend results from one placement, for which the daily rate in a specialist facility was high, having transferred into a community placement.</p>
K	Headquarters	(2,239)	<p>Headquarters underspend £(2,239,000)</p> <p>£7,053,000 of recurring and non-recurring Winter Funding was received from the Scottish Government in 22/23. The profiled budget to September is £3.994m of which only £1.4m has been spent. Although posts have been identified to fully utilise this funding, due to difficulty with recruitment, the funding is forecast to underspend in 22/23 by £3m.</p>

<u>Note</u>	<u>Service</u>	<u>Over/(within) budget to end September 2022</u>	<u>Narrative</u>
L	Adult Services - Community Care	1,294	<p>Adult Services Community Care overspend £1,294,000</p> <p>Client Care Packages are currently over budget. The budget for third party providers received an uplift of 15% in 22/23 due to additional Scottish Government funding for the fair living wage. Some savings were taken from this budget line, however the actual uplift to providers was less than the funding at around 9.5%. Covid sustainability payments have now come to an end so an increase in expenditure over the previous year is expected but all packages continue to be reviewed especially those of high value. One of the main residential providers has indicated financial pressures and have requested their rates increase which is putting further pressure on this budget line. As explained below, some day care savings will be available to offset some of the pressures.</p>
M	Adult Services - Day Care	(725)	<p>Adult Services Day Care underspend £(725,000)</p> <p>Post pandemic Day Service provision is being remodelled. Some services users in 24/7 Residential Care are being offered an alternative service within their setting. This will mean Day Services will require a reduced budget but additional budget will be required within Adult Residential and Adult Community Care as third party providers are expected to cover day care. Further work will be required to determine the savings being made.</p>
N	Adult Services - Mental Health	(405)	<p>Adult Services Mental Health underspend £(405,000)</p> <p>Payments to Third Sector are underspent by £200,000. Payments to a number of organisations were stopped in 2019/20 with a view to redesigning services for this client group. Work is ongoing particularly around accommodation to reallocate this budget.</p>
O	Physical Disabilities - Community Occupational Therapy Service	(586)	<p>Physical Disabilities - Community Occupational Therapy Service underspend £(586,000)</p> <p>The underspend is for equipment prescribed by the OTs and charged for by the Joint Equipment Store. This is a timing difference and is expected to be fully utilised by the end of the year. Some of the underspend is included below in the JES overspend.</p>
P	Physical Disabilities - Joint Equipment Service	872	<p>Physical Disabilities - Joint Equipment Service overspend £872,000</p>

<u>Note</u>	<u>Service</u>	Over/(within) budget to end September 2022	<u>Narrative</u>
			<p>The Joint Equipment store has employed additional staff to deal with the increasing amount of equipment being requested. Equipment is cleaned and reused a number of times. Overheads are recharged along with a nominal cost for the use of equipment meaning this budget should break even. To date, income has been lower than expected and Finance continue to work with the service to ascertain the reason. The number of rotations being assigned to equipment might be a factor.</p>

<u>Note</u>	<u>Service</u>	<u>Over/(within) budget to end September 2022</u>	<u>Narrative</u>
Q	Older People - Care Management	1,719	Older People - Care Management overspend £1,719,000 Care Packages are currently over budget. The budget for third party providers received an uplift of 15% in 22/23 due to additional Scottish Government funding for the fair living wage. Some savings were taken from this budget line, however the actual uplift to providers was less than the funding at around 9.5%. Covid sustainability payments have now come to an end, so an increase in expenditure over the previous year is expected but all packages continue to be reviewed, especially those of high value. An increase in care at home provision post Covid, both in terms of referral numbers and complexity of cases, has been identified.
R	Older People - Day Care	(185)	Older People - Day Care underspend (£185,000) Day care provision is now open post covid however a review of service delivery is anticipated to deliver some savings. These will be used to offset some of the overspend in residential packages in the Care Management page and thus the forecast is a breakeven position.
S	Older People - Home Care	(888)	Older People - Home Care underspend (£888,000) Home care continues to be under pressure with an increase in hours required and complexities of care. Recruitment is a challenge and a project group is currently looking at ways to increase the uptake of vacancies. The under budget position is not reflective of the pressure on this service. Some recruitment has been possible but this has come from additional SG winter pressure funding which sits in the Headquarters page.
T	Older People - Residential Care	161	Older People - Residential Care overspend £161,000 As recruitment continues to be difficult, overtime and relief hours have been used which has pushed this line into an overbudget position. Recruitment using Winter funding is in progress which, if successful, should address this going forward.
U	Older People - Very Sheltered Housing	307	Older People - Very Sheltered Housing overspend £307,000 Recruitment continues to be an issue in the complexes. Agency staff are being used, which has caused an overspend in the staffing line. Staffing shortages have meant that there are vacancies, which has caused income to be lower than budget.

<u>Note</u>	<u>Service</u>	Over/(within) budget to end September 2022	<u>Narrative</u>
V	Integrated Care Fund	(127)	<p>Integrated Care Fund underspend £(127,000)</p> <p>This underspend resulted from a combination of underspends to date on current projects and an under commitment of available funding due to not all of it currently being allocated to projects. The year to date underspend exceeds the forecast underspend as it is presently assumed that there will be an element of catching up in respect of projects already under way.</p>
W	Covid-19	129	<p>Covid-19 overspend £129,000</p> <p>There has been no allocation of funding for Covid costs during 2022/23, meaning that all spending on Covid during the year will show as an overspend. There is, however, a substantial reserve of Covid funding lying on the Partnership's balance sheet, which will be drawn upon at year-end to cover these costs.</p>

SUMMARY OF ADDITIONS TO AND DEDUCTIONS FROM THE REVENUE BUDGET OF THE INTEGRATED JOINT BOARD DURING SEPTEMBER 2022

	NHS Grampian			Aberdeenshire Council			Total	
	£			£			£	
	Full year effects of recurring 2022/23 budget adjustments	Recurring	Non Recurring	Total	Recurring	Non Recurring	Total	
Funding as at the 31st of August 2022 for AH&SCP provided services as reported to the IJB				205,665,041			147,094,800	352,759,841
Corporate T&S Savings					(189,200)			
Housing support element of £10.50 uplift transferred to Housing					(55,455)			
Sub total Aberdeenshire Council adjustments							(244,655)	(244,655.00)
Funding for plasma products			161					
Sub total Community Hospitals				161				161
Capacity funding			10,513					
Sub total Community Mental Health				10,513				10,513
Funding for inward recharges of hosted services	163,658		192,954					
Sub total Inward Recharges of Hosted Services				192,954				192,954
Correction to medical pay award funding	(38,005)		(67,301)					
Sub Total Services Hosted by Aberdeenshire				(67,301)				(67,301)
Overall Revised Budget as at the 30th of September 2022	125,653	125,653	10,674	205,801,368	(244,655)	0	146,850,145	352,551,513
Represented by:								
NHS Grampian Core Services				55,848,682				55,848,682
Primary Care				42,774,740				42,774,740
Prescribing				47,383,290				47,383,290
Community Mental Health				9,376,748				9,376,748
Aberdeenshire Share of Hosted Services				17,306,985				17,306,985
Out of area services				3,572,000				3,572,000
Partnership Funds				(1,135,045)				(1,135,045)
Resource transfer to Aberdeenshire Council (included in Council reporting lines)				13,287,382				13,287,382
Social Care funding transferred to Council (included in Council reporting lines)				13,384,000				13,384,000
Veterans' funding transferred to Council (included in Council reporting lines)				200,525				200,525
Covid-19 funding (included in Council reporting lines)				0				0
Mainstreamed Integrated Care Fund (included in Council reporting lines)				549,000				549,000
Mainstreamed Delayed Discharge (included in Council reporting lines)				1,009,000				1,009,000
Council Social Care Funding							177,523,956	177,523,956
Resource transfer From NHS Grampian (included in Council reporting lines)					(13,287,382)			(13,287,382)
Social Care funding From NHS Grampian (included in Council reporting lines)					(13,384,000)			(13,384,000)
Veterans' funding from NHS Grampian (included in Council reporting lines)					(200,525)			(200,525)
Covid-19 funding (included in Council reporting lines)					0			0
Mainstreamed Integrated Care Fund (included in Council reporting lines)					(549,000)			(549,000)
Mainstreamed Delayed Discharge (included in Council reporting lines)					(1,009,000)			(1,009,000)
Contra				2,243,900			(2,243,900)	0
Rounding							(4)	(4)
				205,801,207			146,850,145	352,651,352
Set Aside Budget								32,349,000
								385,000,352