

Subject: Financial Performance Report – Month 10
Date of Meeting: 25th March 2013
Report of: Director of Finance, NHS Sussex
Director of Finance, BHCC
Contact Officer: Name: Michael Schofield Tel: 01273-574743
E-mail: michael.schofield@bhcpct.nhs.uk
Wards Affected: All

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

1.1 This report sets out the financial position and forecast for the partnership budgets at the end of month 10.

2. RECOMMENDATIONS:

2.1 Board members are requested to note the forecast outturns for the s75 budgets as at month 10.

2.2 To note the update on budget planning for 2013/14 for the health and social care arrangements agreed by Budget Council and NHS Sussex Board.

3. RELEVANT INFORMATION:

Financial Position – Month 10 – 2012/13

- 3.1 The table below shows the forecast outturn variance by client group at month 10:

Month 10 Forecast Outturn Variance by Client Group					
	SCT	SPFT	PCT	BHCC	Total
	£'000	£'000	£'000	£'000	£'000
PCT					
Intermediate Care Services	78	0	0	0	78
HIV / AIDS Services	(232)	0	0	0	(232)
Integrated Equipment Store	28	0	0	0	28
Older People Mental Health	0	(490)	0	0	(490)
Working Age Mental Health	0	(86)	0	0	(86)
Substance Misuse Services	0	(53)	0	0	(53)
	<u>(126)</u>	<u>(629)</u>	<u>0</u>	<u>0</u>	<u>(755)</u>
Council					
Learning Disabilities Services	0	0	0	(902)	(902)
	<u>0</u>	<u>0</u>	<u>0</u>	<u>(902)</u>	<u>(902)</u>
Total Forecast Outturn	<u>(126)</u>	<u>(629)</u>	<u>0</u>	<u>(902)</u>	<u>(1,657)</u>

- 3.2 Services commissioned from SCT are currently expected to underspend by £126k. There is a small pressure of £28k against the Integrated Community Equipment Store budget as well as £78k due to staffing pressures in Intermediate Care services. Forecast savings on the HIV/AIDS budget of £232k are a continuation of the position in 2011/12.
- 3.3 An underspend of £629k is currently being forecast in respect of services commissioned from SPFT. The budget strategy savings target of £326k has already been achieved. In addition, savings of £287k have been achieved through robust vacancy management and tight budgetary control, and a further £289k from the community care budget as a result of increased funding through the assessment process and robust review of all placements. There continue to be pressures against the Adult Mental Health Community Care budget from a lack of suitable accommodation, which has been highlighted as part of the budget process for 2013/14. In line with the agreed risk-share arrangements for 2012/13 any overspend or underspend will be shared 50/50 between SPFT and BHCC.
- 3.4 Learning Disabilities are showing an underspend of £0.902m due mainly to the full year effect of management decisions taken during 2011/12 and the successful re-negotiation of contracts and the improved identification of appropriate funding streams. There are risks against delivery of budget strategy savings on Learning Disabilities Accommodation (£0.311m) as a result of the delays in implementation. Also, there has been a delay in developing proposals on day activities.

The PCT contracts with SCT and SPFT are currently forecast to breakeven. Regular discussions are being held with the Trusts during the year to ensure there are no surprises and pressures materialising are addressed.

Council Planning for 2013/14

- 3.5 On 28 February 2013 the Council agreed the budget strategies for 2013/14 which cover financial and service pressures and savings proposals as presented to the Joint Commissioning Board at the January meeting.

CCG Planning for 2013/14 and future years

- 3.6 The CCG outline budget plans for 2013/14 have been submitted to the Regional office of the National Commissioning Board and these are currently being reviewed. Detailed budgets in respect of the PCT's section 75 contribution will be presented to the Board as soon as the process has been completed.

4. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 4.1 The financial implications of the report are found in the text, highlighting the performance against the pooled budgets in 2012/13.

Finance Officer consulted: Anne Silley / Debra Crisp Date 12 March 2013

4.2 Legal Implications:

There are no specific legal implications (including Human Rights Act and Equalities) which arise out of this report.

Sandra O'Brien Senior Lawyer Date 14 March 2013

Equalities Implications:

- 4.3 Equalities Impact Assessment budget screenings have been carried out against the savings described covering the risks and full Equality Impact Assessments will be completed before implementation.

Sustainability Implications:

- 4.4 Sustainability implications are considered in developing savings options.

Crime & Disorder Implications:

- 4.5 There are no direct crime and disorder implications arising from this report.

Risk and Opportunity Management Implications:

- 4.6 There are no direct risk and opportunity management implications arising from this report. Both organisations have extensive risk management frameworks which address the risks arising from the section 75 agreement.

Public Health Implications

- 4.7 From 1 April 2013, public health functions are due to transfer to local authorities. There are a wide range of proposals within the budget that have potential implications for public health in its broadest sense. The principle of prioritising services for the young, elderly and vulnerable should make a positive contribution to public health.

Corporate / Citywide Implications:

- 4.8 There are no direct corporate/ citywide implications arising from this report.