

Appendix A: Finance Update as at 30 June 2021

Period 3	Full Year Revised Budget £'000	Period Budget £'000	Period Actual £'000	Period Variance £'000	Variance Percent %	Forecast £'000
Mainstream:						
Community Health Services	36,839	8,775	8,989	214	2.4	37,505
Aberdeen City share of Hosted Services (health)	26,968	6,705	6,465	(240)	-3.6	25,838
Learning Disabilities	34,329	8,717	9,075	358	4.1	34,309
Mental Health and Addictions	22,131	5,536	5,902	366	6.6	22,786
Older People & Physical and Sensory Disabilities	85,821	22,942	22,789	(153)	-0.7	85,903
Directorate	557	134	139	5	3.7	491
Criminal Justice	92	18	23	5	27.8	92
Housing	1,846	461	307	(154)	-33.4	1,846
Primary Care Prescribing	40,052	9,685	10,100	415	4.3	40,402
Primary Care	41,249	10,555	10,380	(175)	-1.7	41,520
Out of Area Treatments	2,600	589	659	70	11.9	2,669
Set Aside Budget	46,410	11,603	11,603	0	0.0	46,410
Direct COVID Costs	0	344	2,276	1,932	561.6	6,902
Public Health	2,198	549	444	(105)	-19.1	2,118
	341,092	86,613	89,151	2,538	2.9	348,791
Funds:						
Primary Care Improvement Fund*	4,719	582	582	0	0.0	4,719
Action 15 Mental Health*	1,323	145	145	0	0.0	1,323
Alcohol Drugs Partnership*	1,300	150	150	0	0.0	1,300
	7,342	877	877	0	0	7,342
	348,434	87,490	90,028	2,538	2.9	356,133

Appendix B: An analysis of the variances on the mainstream budget is detailed below:

Community Health Services (Forecast Position - £666,000 overspend)

Major Variances:

666,000 Undelivered Savings

Staffing costs projected to breakeven due to recruitment to vacancies in Nursing and AHPs. There are also a number of expected earmarked funds still to be allocated particularly to Nursing.

Hosted Services (Forecast Position £1,130,000 underspend)

The Hosted Services position is now reporting an underspend mainly due to the allocation of cost pressure funding from the Integrated Joint Board. All services reporting underspend excluding Grampian Medical Emergency Department (GMED) which still has a significant overspend despite additional funding.

Intermediate Care: Has an underspent position in city due to allocation of additional funding. The Grampian Wide service has an underspend position due to reduction on medical supplies spend and no longer accruing for an invoice, along with a reduction in locums usage.

Grampian Medical Emergency Department (GMED): Currently overspent despite additional IJB funding. Relates mainly to pay costs and the move to provide a safer more reliable service which has been a greater uptake of shifts across the service. Non-pay overspend due to repair costs not covered by insurance, increased costs on software and hardware support costs, increased usage of medical surgical supplies and an increase in drug costs.

Hosted services are led by one IJB, however, the costs are split according to the projected usage of the service across the three IJBs. Decisions required to bring this budget back into balance may need to be discussed with the three IJBs, due to the impact on service delivery.

Learning Disabilities (Forecast Position - £20,000 underspend)

There is a £105,000 overspend mostly relating to additional homecare, offset by staffing vacancies.

Mental Health & Addictions (Forecast Position - £655,000 overspend).

There are underspends across the service, in particular residential care (£360,000), day care (£313,000), support services (£252,000) and drug addictions (£133,000). An overspend is also forecast on the health side of the budget of £500,000 due to the use of locums and rising Methadone costs.

Older People & Physical and Sensory Disabilities (Position £82,000 underspend)

There is a £900,000 over recovery of income as the IJB as income from rent was not budgeted for at the beginning of the year. This is offset by £820,000 of various overspends.

Directorate (Position – £66,000 underspend)

There are underspends of £69,000 on staffing in relation to administrative support,

Primary Care Prescribing (Forecast Position – £350,000 overspent)

This position is based on only one month's actuals for April and an accrued position for May and June. This budget and forecast do not include any possible allocation from IJB Covid funding for the two drugs identified by Scottish Government as being specifically impacted upon relating to Covid. In 2020/21 a SLWG/Public Health Scotland advised only two medicines, Sertraline and Paracetamol, were likely to contribute to material overspends as a result of COVID-19. Paracetamol prices were affected by COVID-19 but this was not for all formulations and a factor of 75% was applied. An estimate of Covid impact for 2021/22 has been calculated as is included in the local mobilisation plan return.

For 2020/21 the overall Prescribing volume of items in total was 4.15% lower than in 2019/20 and the prescribing pattern did not recover to pre Covid levels. To June 2021 the estimate of items is slightly greater to date than anticipated with higher volume in April 2021. Overall, the volume is now expected to be more consistent with 2020/21 pattern with only a small increase.

Since January 2021 the price per item has been relatively stable.

Primary Care Services (Forecast Position - £271,000 overspend)

The GP contract uplift for 2021/22 has yet to be concluded and is not included in the primary care actuals and budget to date. A breakeven position has been assumed for Global Sum to date.

The existing cost overspend on enhanced services has remained consistent as still currently based on previous earnings as this element of practice income is being protected as part of response to Covid.

The estimated premises position has turned to a small unfavourable variance to June.

In addition, Board Administered funds have a reduced underspend to month 3 reflecting the pattern of expenditure to date including seniority payments, sickness and maternity claims received.

Out of Area Treatments (Forecast Position - £69,000 overspend)

The forecast spend for the year is an overspend of £69,000 due to the growing number and costs of patients being treated out of area. These placements are reviewed regularly by officers to determine whether the care still meets the requirements of the patients.

COVID -19 Costs (Forecast Position - £6,902,000 overspend).

Major Movements:

See appendix C for detailed breakdown. Forecast assumes no funding allocated from reserves at present.

Transforming Health and Wellbeing (Forecast Position - £80,000 underspend).

Underspend due to vacancies and ongoing redesign process.

Funds (Position - balanced)

Income will match expenditure at the end of the financial year.

Appendix C: Mobilisation Plan Costings

	Forecast 2021/22 £'000	
<u>Direct Costs Agreed Locally</u>		
Additional Care Home Beds	849	Three months' worth of additional costs
Additional Equipment and Maintenance	240	IT Equipment, beds and mattresses
Staff overtime and additional hours	150	Required to support residential settings and for weekend working.
Care at Home Remobilisation	696	To continue the additional capacity created via the winter plan project and support discharge from hospital to home.
Care Homes Sustainability	3,793	Support to care homes financially due to a reduction in number of residents.
PPE Partnership	240	Additional cost to social care and partnership for a long time .
Prescribing	334	Cost recovery for two drugs where the costs have increased due to COVID.
COVID HUB	600	Costs of Covid Vaccination Hubs
COVID Costs	6,902	
<u>Included on other budget lines</u>		
Savings	900	Agreed savings undeliverable see appendix D
Care at Home Additionality	1,500	Additional costs in relation to care at home required to keep residents from moving into residential settings wherever possible.
Lost Income	996	Reduction in financial assessments and relaxation of rules. There will be a delay in collecting some of this income.
	3,396	
2021/22	10,298	
Less: Funding Received (COVID Reserve)	2,534	
Balance Still to be Funded	7,764	

Appendix D: Progress in implementation of savings – 30 June 2021

Programme for Transformation:	Agreed Target £'000	Status	Forecast £'000
Managing Demand	(2,466)	<p>Description - Review of social care to determine whether savings could be achieved.</p> <p>Status - Partially achieved via additional income for the Scottish Living wage announced late in the national budget process.</p>	(2,466)
Conditions for Change	(500)	<p>Description - reduced usage of locums and agency staff and redesign of community mental health services as we move into localities.</p> <p>Status - The community and acute mental health teams are dealing with a surge in demand for services, being managed with reduced levels of staffing due to annual leave, sickness and covid isolation requirements. It has not been possible or practical to move forward these solutions are this time. Improved recruitment in some of our other community teams has meant that a saving added in 2020/21 is not looking unachievable.</p>	400
Accessible and responsive infrastructure	(2,500)	<p>Description - Additional income to be received from local mobilisation plan to cover additional costs and lost income due to COVID.</p> <p>Status - On track and included on local mobilisation plan.</p>	(2,500)
	(5,466)		(4,566)

Undeliverable due to COVID19

(900)

Appendix E: Budget Reconciliation

	NHSG £	ACC £	IJB £
ACC per full council:	0	97,030,381	97,030,381
NHS per letter from Director of Finance:	235,218,775		
Budget NHS per letter		0	
	<hr/>	<hr/>	
	235,218,775	97,030,381	
Reserves Drawdown			
Quarter 1	15,052,746	1,132,097	
Quarter 2			
Quarter 3			
Quarter 4			
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	250,271,522	98,162,478	348,434,000

Appendix G: Summary of risks and mitigating action

	Risks	Mitigating Actions
Community Health Services	Balanced financial position is dependent on vacancy levels.	Monitor levels of staffing in post compared to full budget establishment. A vacancy management process has been created which will highlight recurring staffing issues to senior staff.
Hosted Services	There is the potential of increased activity in the activity-led Forensic Service. There is the risk of high levels of use of expensive locums for intermediate care, which can put pressure on hosted service budgets.	Work is being undertaken at a senior level to consider future service provision and how the costs of this can be minimised. The movement of staff from elsewhere in the organisation may help to reduce locum services.
Learning Disabilities	There is a risk of fluctuations in the learning disabilities budget because of: expensive support packages may be implemented. Any increase in provider rates for specialist services.	Review packages to consider whether they are still meeting the needs of the clients. All learning disability packages are going for peer review at the fortnightly resource allocation panel.
Mental Health and Addictions	Increase in activity in needs led service. Potential complex needs packages being discharged from hospital. Increase in consultant vacancies resulting in inability to recruit which would increase the locum usage. Average consultant costs £12,000 per month average locum £30,000 per month.	Work has been undertaken to review levels through using CareFirst. Review potential delayed discharge complex needs and develop tailored services. A group has been established in the city to look at supplementary staffing on a regular basis.
Older people services incl. physical disability	There is a risk that staffing levels change which would have an impact on the balanced financial position. There is the risk of an increase in activity in needs led service, which would also impact the financial position.	Monitor levels of staffing in post compared to full budget establishment. Regular review packages to consider whether they are still meeting the needs of the clients.
Prescribing	There is a risk of increased prescribing costs as this budget is impacted by volume and price factors, such as the increase in drug prices due to short supply. As both of which are forecast on basis of available date and evidence at start of each year by the Grampian Medicines Management Group	Monitoring of price and volume variances from forecast. Review of prescribing patterns across General Practices and follow up on outliers.

		Implementation of support tools – Scriptswitch, Scottish Therapeutic Utility. Poly pharmacy and repeat prescription reviews to reduce wastage and monitor patient outcomes.
Out of Area Treatments	There is a risk of an increase in number of Aberdeen City patients requiring complex care from providers located out with the Grampian Area, which would impact this budget.	Groups to be re-established reviewing placements and considering if these patients can be cared for in a community setting.

Appendix F: Budget Virements (balancing)

Health 1-3		£
PAY UPLIFT 2122	Core Community	637,942
PAY UPLIFT 2122	Learning Disabilities	27,569
PAY UPLIFT 2122	Community Mental Health	157,048
PAY UPLIFT 2122	Transformation and Public Health	20,368
PAY UPLIFT 2122	Earmarked Funds	(842,928)
CITY HOSTED PAY UPLIFT	City Share Hosted Services	261,477
CITY HOSTED PAY UPLIFT	Earmarked Funds	(261,477)
GP PREMISES FUNDING	Core Community	289,978
GP PREMISES FUNDING	Earmarked Funds	(289,978)
MTFF	Resource Transfer	3,230,000
MTFF	Earmarked Funds	(3,230,000)
Total Virements		(0)

Social Care 1-3		£	Ref
Jb Remove Existing ljb 21/22 Budget	Directorate	(1,387,052)	50090
Jb Revised ljb 21/22 Budget	Directorate	1,408,545	50090
Jb Remove Existing ljb 21/22 Budget	Directorate	(1,200)	50090
Jb Revised ljb 21/22 Budget	Directorate	314	50090
Jb Remove Existing ljb 21/22 Budget	Directorate	(89,880)	50090
Jb Revised ljb 21/22 Budget	Directorate	4,443	50090
Jb Remove Existing ljb 21/22 Budget	Directorate	(5,140)	50090
Jb Revised ljb 21/22 Budget	Directorate	700	50090
Jb Remove Existing ljb 21/22 Budget	Directorate	(3,556,367)	50090
Jb Revised ljb 21/22 Budget	Directorate	222,909	50090
Jb Remove Existing ljb 21/22 Budget	Directorate	(1,311,578)	50090
Jb Revised ljb 21/22 Budget	Directorate	191,727	50090
Jb Remove Existing ljb 21/22 Budget	Directorate	(15,450)	50090
Jb Revised ljb 21/22 Budget	Directorate	62,161	50090
Jb Remove Existing ljb 21/22 Budget	Directorate	1,300,656	50090
Jb Revised ljb 21/22 Budget	Directorate	(1,333,665)	50090
Jb Remove Existing ljb 21/22 Budget	Learning Disabilities	(5,356,751)	50090
Jb Revised ljb 21/22 Budget	Learning Disabilities	5,703,072	50090
Jb Remove Existing ljb 21/22 Budget	Learning Disabilities	(233,821)	50090
Jb Revised ljb 21/22 Budget	Learning Disabilities	236,481	50090
Jb Remove Existing ljb 21/22 Budget	Learning Disabilities	(34,122)	50090
Jb Revised ljb 21/22 Budget	Learning Disabilities	34,962	50090
Jb Remove Existing ljb 21/22 Budget	Learning Disabilities	(228,760)	50090
Jb Revised ljb 21/22 Budget	Learning Disabilities	229,780	50090
Jb Remove Existing ljb 21/22 Budget	Learning Disabilities	(22,042)	50090
Jb Revised ljb 21/22 Budget	Learning Disabilities	55,992	50090
Jb Remove Existing ljb 21/22 Budget	Learning Disabilities	(27,659,282)	50090
Jb Revised ljb 21/22 Budget	Learning Disabilities	25,425,058	50090
Jb Remove Existing ljb 21/22 Budget	Learning Disabilities	(1,863,068)	50090
Jb Revised ljb 21/22 Budget	Learning Disabilities	1,531,343	50090

Jb Remove Existing ljb 21/22 Budget	Learning Disabilities	1,470,003	50090
Jb Revised ljb 21/22 Budget	Learning Disabilities	(1,296,462)	50090
Jb Remove Existing ljb 21/22 Budget	Mental Health	(2,367,475)	50090
Jb Revised ljb 21/22 Budget	Mental Health	3,011,216	50090
Jb Remove Existing ljb 21/22 Budget	Mental Health	(100)	50090
Jb Revised ljb 21/22 Budget	Mental Health	1,150	50090
Jb Remove Existing ljb 21/22 Budget	Mental Health	(33,049)	50090
Jb Revised ljb 21/22 Budget	Mental Health	6,050	50090
Jb Remove Existing ljb 21/22 Budget	Mental Health	(15,845)	50090
Jb Revised ljb 21/22 Budget	Mental Health	6,220	50090
Jb Remove Existing ljb 21/22 Budget	Mental Health	(18,400)	50090
Jb Revised ljb 21/22 Budget	Mental Health	141,000	50090
Jb Remove Existing ljb 21/22 Budget	Mental Health	(8,683,889)	50090
Jb Revised ljb 21/22 Budget	Mental Health	8,185,622	50090
Jb Remove Existing ljb 21/22 Budget	Mental Health	(76,131)	50090
Jb Revised ljb 21/22 Budget	Mental Health	68,844	50090
Jb Remove Existing ljb 21/22 Budget	Mental Health	1,024,717	50090
Jb Revised ljb 21/22 Budget	Mental Health	(413,180)	50090
Jb Remove Existing ljb 21/22 Budget	Older People & Phycial Dis	(7,143,846)	50090
Jb Revised ljb 21/22 Budget	Older People & Phycial Dis	6,146,030	50090
Jb Remove Existing ljb 21/22 Budget	Older People & Phycial Dis	(121,118)	50090
Jb Revised ljb 21/22 Budget	Older People & Phycial Dis	80,730	50090
Jb Remove Existing ljb 21/22 Budget	Older People & Phycial Dis	(23,055)	50090
Jb Revised ljb 21/22 Budget	Older People & Phycial Dis	35,535	50090
Jb Remove Existing ljb 21/22 Budget	Older People & Phycial Dis	(148,234)	50090
Jb Revised ljb 21/22 Budget	Older People & Phycial Dis	123,675	50090
Jb Remove Existing ljb 21/22 Budget	Older People & Phycial Dis	(225,585)	50090
Jb Revised ljb 21/22 Budget	Older People & Phycial Dis	277,379	50090
Jb Remove Existing ljb 21/22 Budget	Older People & Phycial Dis	(78,455,792)	50090
Jb Revised ljb 21/22 Budget	Older People & Phycial Dis	82,793,132	50090
Jb Remove Existing ljb 21/22 Budget	Older People & Phycial Dis	(2,047,345)	50090
Jb Revised ljb 21/22 Budget	Older People & Phycial Dis	2,648,747	50090
Jb Remove Existing ljb 21/22 Budget	Older People & Phycial Dis	11,863,947	50090
Jb Revised ljb 21/22 Budget	Older People & Phycial Dis	(6,328,697)	50090
Jb Remove Existing ljb 21/22 Budget	Criminal Justice	(4,300,146)	50090
Jb Revised ljb 21/22 Budget	Criminal Justice	4,640,237	50090
Jb Remove Existing ljb 21/22 Budget	Criminal Justice	(54,245)	50090
Jb Revised ljb 21/22 Budget	Criminal Justice	56,185	50090
Jb Remove Existing ljb 21/22 Budget	Criminal Justice	(8,385)	50090
Jb Revised ljb 21/22 Budget	Criminal Justice	79,448	50090
Jb Remove Existing ljb 21/22 Budget	Criminal Justice	(59,183)	50090
Jb Revised ljb 21/22 Budget	Criminal Justice	20,205	50090
Jb Remove Existing ljb 21/22 Budget	Criminal Justice	(100,816)	50090
Jb Revised ljb 21/22 Budget	Criminal Justice	586,239	50090
Jb Remove Existing ljb 21/22 Budget	Criminal Justice	(496,261)	50090
Jb Revised ljb 21/22 Budget	Criminal Justice	430,823	50090
Jb Remove Existing ljb 21/22 Budget	Criminal Justice	(4,162)	50090
Jb Revised ljb 21/22 Budget	Criminal Justice	2,000	50090
Jb Remove Existing ljb 21/22 Budget	Criminal Justice	4,931,510	50090
Jb Revised ljb 21/22 Budget	Criminal Justice	(5,723,450)	50090

Jb Revised ljb 21/22 Budget	Transformation Projects	21,720	50090
Jb Revised ljb 21/22 Budget	Transformation Projects	22,600	50090
Jb Remove Existing ljb 21/22 Budget	Transformation Projects	(402,000)	50090
Jb Revised ljb 21/22 Budget	Transformation Projects	1,553,323	50090
Jb Revised ljb 21/22 Budget	Transformation Projects	(115,300)	50090
Jb Remove Existing ljb 21/22 Budget	General Transformation	(465,766)	50090
Jb Revised ljb 21/22 Budget	General Transformation	486,297	50090
Jb Revised ljb 21/22 Budget	General Transformation	70,000	50090
Jb Remove Existing ljb 21/22 Budget	General Transformation	(1,680)	50090
Jb Revised ljb 21/22 Budget	General Transformation	1,016	50090
Jb Remove Existing ljb 21/22 Budget	General Transformation	(1,200)	50090
Jb Remove Existing ljb 21/22 Budget	General Transformation	(27,500)	50090
Jb Revised ljb 21/22 Budget	General Transformation	50,079	50090
Jb Revised ljb 21/22 Budget	General Transformation	176,638	50090
Jb Remove Existing ljb 21/22 Budget	General Transformation	264,500	50090
Jb Remove Existing ljb 21/22 Budget	Budget Savings	31,005,920	50090
Jb Revised ljb 21/22 Budget	Budget Savings	(36,434,407)	50090
<hr/> Total Virements		0	