

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

Community Health Services (Forecast Position - £1,376,000 underspend)

Major Variances:

150,000 Across non-pay budgets
(196,000) Over receipt on income
(1,328,000) Staff Costs

Staffing costs projected underspend due to recruitment to vacancies particularly in Nursing and AHPs. This is augmented by over recovery on income.

Hosted Services (Forecast Position £1,204,000 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 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 - £557,000 underspend)

£430,000 underspent on staff costs due to vacancies. £56,000 over recovered income from clients. £830,000 underspent on commissioning costs but £720,000 overspent on direct payments.

Mental Health & Addictions (Forecast Position - £333,000 underspend)

£125,000 over recovered income, mostly client receipts. There are also underspends of £110,000 on staff costs due to vacancies, and £75,000 on supplies & services. These are offset by various overspends, the largest being £67,000 on commissioned services and £44,000 on direct payments to clients.

Older People & Physical and Sensory Disabilities (Position £604,000 underspend)

£1.3m underspend on commissioned services, £590,000 underspend on staff costs due to vacancies - service has started a recruitment drive to attract new social workers, £260,000 underspend on supplies & services relating to past IT contract costs no longer being due, and £1m over recovery of income, mostly client receipts. Offset by £2.3m overspend on direct payments due to shortage of care providers.

Directorate (Position – £289,000 overspend)

£220,00 overspent on commissioning services, budget will be realigned.

Primary Care Prescribing (Forecast Position – £368,000 overspent)

Agreement between Scottish Government and Community Pharmacy Scotland was reached to reduce tariff price from July. This resulted in an actual average price per item of £10.81 in July which increased to £10.86 in August and £10.90 in September, (June actual average price was £11.12 before tariff reduction). This reduced price contributes to the improved position year to date.

Primary Care Services (Forecast Position - £150,000 overspend)

The GP contract Global sum uplift has been agreed and has been implemented from October 21.

The main overspend on enhanced services remains consistent as services remain protected.

The main underspend on Board administered funds including Seniority payments, locum payments and maternity has reduced since M8 as backdated claims have been received.

Premises has a further small favourable movement including latest rates, rental and improvement expenditure estimates. Other smaller minor underspending areas including Superannuation funding and Training Grant which contribute to the overall underspend position.

Out of Area Treatments (Forecast Position - £3,000 underspend)

The forecast spend for the year is an overspend of £3,000 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 - £12,650,000 overspend).

Major Movements:

See appendix C for detailed breakdown. Funding has been received to cover some of these costs, however, is not recognised on this line at present to maintain a consistent presentation from previous quarters.

Transforming Health and Wellbeing (Forecast Position - £453,000 underspend).

£58,000 underspent on Horizons rehabilitation centre refurbishment as no work carried out so far this year and staff vacancies.

Funds (Position - balanced)

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