

Item no. on agenda

Brighton & Hove City Council South Downs Health NHS Trust

For general release

Meeting: **Integrated Services Board**

Date: **9th February, 2004**

Report of: **Director of Finance, South Downs Health NHS Trust**

Subject: **Performance Report for 2003/2004**

Ward(s) affected: **All**

1 Purpose of the report

- 1.1 This report informs the Board of the Integrated Provider's performance for the 9 months to 31st December, 2003. The report includes both social care and health care budgets managed by the Trust under the terms of the Section 31 Partnership Agreement with Brighton & Hove City Council.

2 Recommendations

The Integrated Services Board is recommended to:

- 2.1 Note the reported month 9 overspend of £1,832,000 and progress made against Financial Recovery Plans (FRPs).

3 Information/background

- 3.1 For the 9 months to December 2003, Integrated Provider Partnership budgets are reported as £1,832,000 overspent, against a year-to-date budget of £43.074m (4.3%). This can be further analysed as an overspend of £732,000 on health care budgets and an overspend of £1,101,000 on social care budgets. Appendix 1 details the position for specific services.
- 3.2 The main areas of the overspending over the period are the "NHS and Community Care" budgets for Learning Disabilities (£675,000), Working Age Mental Health Services (WAMHS) (£155,000), and Older Peoples Mental Health Services (MHSOP) (£138,000). There are also pressures on Learning Disability mainstream budgets, primarily due to pressure on accommodation budgets (£169,000).
- 3.3 WAMHS services within South Downs Health are also considerably overspent (£919,000). This consists of overspends in the ward areas due to high agency usage (£310,000), and overspends in extra-contractual payments (ECRs) of

£424,000. The balance relates to other non-pay pressures such as drugs and advertising.

3.4 The outturn forecast position for the year for the Integrated Provider is shown in the table below. A Financial Recovery Plan (FRP) identifying savings of £1,197,000 has been agreed by the Joint Commissioning Board subject to the outcome of the approved decision making processes. The Table below summarises the forecast year-end budgetary pressures and agreed savings. Please note that this table relates to social care budgets only as health budgets are still expected to break-even (see para. 3.6 below).

Financial Recovery Plan (Social Care Budgets)

Service Area	Budgetary Pressures	Savings Identified	Balance to be identified
	£'000	£'000	£'000
Working Age Mental Health	394	187	207
Older Peoples Mental Health	330	146	184
Learning Disabilities	1,989	864	1,125
Intermediate Care	-52	0	-52
AIDS/HIV	26	0	26
Substance Misuse	-22	0	-22
Total	2,665	1,197	1,468

3.5 The residual forecast overspend of £1,468,000 represents a reduction from the September figure of £77,000. The Joint Commissioning Board have been informed that no further savings from financial recovery plans were possible this year without seriously impacting on services or performance although every effort would be made to further reduce the overspend. The Joint Commissioners are currently considering how to manage this potential overspend, in the context of budget setting for next year, and have agreed non-recurrent funding to reduce the deficit to £1,068,000.

3.6 Health care budgets, held as part of the partnership, are still expected to break-even at the year-end, although there is a level of risk associated with this given the month 9 overspend of £732,000. Actions identified to date include:

- Reducing ECR placements by reviewing current usage and capacity across all agencies.
- Setting financial recovery targets for each service. These targets will need to be kept under review and may need to be set at a higher level depending on the success or otherwise of other measures.

3.7 It is recognised that there is a considerable level of risk concerning the above strategy and therefore increased monitoring and control of the position will be essential to ensure delivery. However, preliminary monitoring of forecast results against actual suggest that the financial recovery plan is having a significant effect.

4 Waiting times and Delayed Transfer of Care

4.1 **Delayed Transfers of Care** There were 19 patients being delayed in mental health beds as at 16th January 2004. This represents a 30% reduction since September. All but one patient were Brighton and Hove residents. The breakdown by reason for delay is shown in the following table:

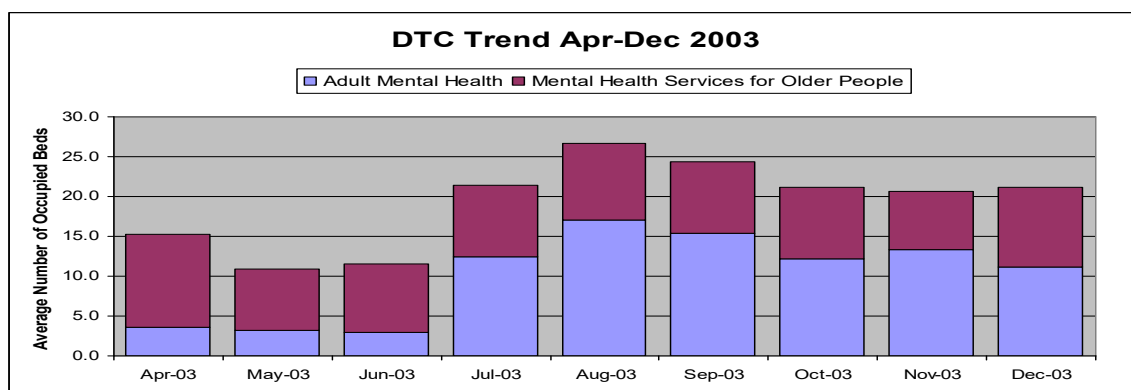
Table 2. Delayed Transfers of Care (16 January 2004)

Sector	Reason for Delay	Working Age Mental Health Services	Mental Health Services for Older People
Social Care	Awaiting Assessment	0	0
	Awaiting Funding	0	0
	Awaiting Placement	0	7
	Awaiting Home care package	0	0
Health	Awaiting Assessment	0	0
	Awaiting Placement	5	0
Other	Housing	6	0
	Self funding	0	1
	Other	0	0
TOTAL		11	8

source: DTC database

4.2 Further analysis indicates that 15% of WAMHS beds and 22% of MHSOP beds were 'blocked' on average over the last three months. Housing continues to be the largest factor in WAMHS accounting for over a third of all delays in the period. Lack of appropriate residential and nursing home places accounts for all the delays in MHSOP.

4.3 The following graph shows the reduction in delays that has occurred since the peak in the summer of last year.



Appendix 1

SOUTH DOWNS HEALTH NHS TRUST									
INTEGRATED PROVIDER PARTNERSHIP STATEMENT									
MONTH 9 - DECEMBER 2003									
ANN BUDGET	DIRECTORATES	YTD BUDGET	YTD ACTUAL	YTD VAR	MTH VAR	INCOME	PAY	N-PAY	FORECAST
<i>£000</i>		<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
19,381	WAMHS	14,438	15,511	1,074	113	(10)	295	790	252
12,085	MHSOP	9,174	9,343	169	(24)	27	(35)	177	229
1,492	Substance Misuse	1,033	1,270	(30)	(7)	(2)	(28)		(2)
22,284	Learning Disabilities	16,674	17,309	635	11	(11)	(131)	777	1,045
1,043	HIV/AIDS	761	766	5		1	(13)	17	26
1,299	Intermediate Care	978	973	(4)	(13)	(1)	20	(23)	(52)
16	S31 Reserves	16		(16)				(16)	(30)
57,601	Total Section 31	43,074	45,173	1,832	80	3	108	1,722	1,468

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<p>Financial implications</p> <p>See main body of report.</p>
<p>Legal implications</p> <p>The joint commissioning Agreement between the South Downs Health NHS Trust (“NHS Trust”) and the Council requires regular financial monitoring/reporting by the NHS Trust and both parties to take action to deal with projected overspends reasonably & in good faith.</p> <p>Any overspends at the end of a financial year must be identified, with reasons, by the NHS Trust to the Brighton & Hove City Primary Care Trust, through the Integrated Services Board & the Joint Commissioning Board. The steps which the Council and the NHS Trust have then to take follow a progression:-</p> <ul style="list-style-type: none"> (a) Agree that resources in the next financial year be applied to meeting the overspend; (b) Apportion the overspend between themselves in a just and equitable manner, taking into account the reasons for the overspend; (c) Seek to resolve the matter resolution with the assistance of the Joint Commissioning Board; (d) Go through the dispute resolution procedure; (e) Wholly or partially, bring the agreement to an end. <p>There are separate but similar provisions in the Agreement for dealing with (1) any reductions in financial contributions by either party or (2) the budget being inadequate to cover service pressures, except that steps (a) to (c) above are replaced with a requirement for the parties to negotiate service changes so that the expenditure will be covered by their financial contributions.</p>



<p>Corporate implications</p> <p>Clearly, the remaining savings identified in the Financial Recovery Plan must be delivered in year to avoid a deficit on the Partnership budget.</p>	<p>Risk assessment</p> <p>To follow.</p>
<p>Sustainability implications</p> <p>The financial strategies of Partner organisations will need to demonstrate sustainability against the background of Local Health Economy pressures.</p>	<p>Equalities implications</p> <p>There are no equalities implications arising from this report.</p>
<p>Implications for the prevention of crime and disorder</p> <p>There are no implications for the prevention of crime and disorder arising from this report.</p>	

<p>Background papers</p> <p>1. <i>Figures and information in this report were taken from files held by the Integrated Management Accounts team in the Trust.</i></p>
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