

**ADULT CARE & HEALTH
COMMITTEE(JOINTLY
COMMISSIONED (SECTION 75))
BUSINESS**

Agenda Item 65

Brighton & Hove City Council

Subject: Finance Report at TBM9
Date of Meeting: 17 March 2014
Report of: Executive Director of Finance & Resources
 Chief Finance Officer, Brighton & Hove CCG
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Ward(s) affected: All

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

1.1 This reports sets out the revenue and capital financial position on Adult Services, NHS Trust Managed S75 Budgets and Public Health.

2. RECOMMENDATIONS:

2.1 That the Committee notes the financial position for the 2013/14 financial year as reported at TBM9 (December 2013).

3. CONTEXT/ BACKGROUND INFORMATION:

Financial Position – Month 9 – 2013/14

3.1 This report sets out the forecast outturn position as at Month 9 as reported to Policy & Resources Committee on 13 February 2014 as part of Targeted Budget Monitoring (TBM).

3.2 The Adult Services forecast is an overspend of £2.3 million (3.7% above budget) as set out in the table below. Although the current forecast has improved by £0.841m since month 7, projections indicate that pressures are likely to be persistent and higher than initially estimated both in the current year and in future years. The overspend results from the underachievement against savings targets at the same time as continuing demand pressure on the budget as described in Appendix 1. Demand for home care continues to grow as demonstrated by the chart at Appendix 2.

Forecast Variance Month 7 £'000	Unit	2013/14 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %
1,893	Adults Assessment	47,833	49,313	1,480	3.1%
1,300	Adults Provider	14,762	15,856	1,094	7.4%
(4)	Commissioning & Contracts	485	259	(226)	-46.6%
3,189	Total Adult Services	63,080	65,428	2,348	3.7%

3.3 The NHS Trust-managed Section 75 Services represent those services for which local NHS Trusts act as the Host Provider under Section 75 Agreements. Services are managed by Sussex Partnership Foundation Trust (SPFT) and Sussex Community NHS Trust (SCT) and include health and social care services for Mental Health, and Community Equipment.

These partnerships are subject to separate annual risk-sharing arrangements and the monitoring of financial performance is the responsibility of the respective host NHS Trust provider. The forecast outturn (after risk share) is an improved position with an overspend of £0.186 million (1.5%) as explained in Appendix 1.

The chart at Appendix 2 shows the numbers of home care whole time equivalents and change in spend over three years reflecting the pressures on the Adult Mental Health budget.

Forecast Variance Month 7 £'000		2013/14 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %
	S75 Partnership				
220	SPFT	11,429	11,568	139	1.2%
63	SCT	641	688	47	7.3%
283	Total Revenue - S75	12,070	12,256	186	1.5%

The CCG contracts with SCT and SPFT are currently forecast to breakeven. Regular discussions are being held with the Trusts during the year to ensure that pressures materialising are addressed

Public Health

3.4 The expenditure forecast is within the ring-fenced public health grant from the Department of Health of £18.2 million.

Forecast Variance Month 7 £'000	Unit	2013/14 Budget Month 9 £'000	Forecast Outturn Month 9 £'000	Forecast Variance Month 9 £'000	Forecast Variance Month 9 %
0	Public Health	158	158	0	0.0%
0	Community Safety	1,481	1,481	0	0.0%
7	Civil Contingencies	177	187	10	5.6%
7	Total Public Health	1,816	1,826	10	0.6%

The figures in the table above are net of the ring- fenced public health grant of £18.2m from the Department of Health

Capital

3.5 The capital position for Adult Services against the revised budget at month 9 of £2.3 million which is unchanged since the last report is set out in Appendix 3.

Council Planning for 2014/15

- 3.6 The Council budget strategies for 2014/15 and savings proposals are under discussion by Council. An update will be provided at the meeting. Detailed budgets will be available once the Budget Book for 2014/15 is published.

CCG Planning for 2014/15 and future years

- 3.7 NHS England has published its planning framework Everyone Counts: Planning for Patients 2014/15 to 2018/19. The CCG has been notified of its Allocation for the next two years, but is still waiting for further detailed financial planning guidance.
- 3.8 Of most significance is the requirement to generate additional funds to contribute to the Better Care Fund (previously the Integration Transformation Fund). Although additional funding is expected in 2014/15, for 2015/16 there is the need to generate additional funding, a 3% savings requirement in addition to the existing 'QIPP' savings target. The CCG and the Council are working up joint plans on collective spending against this Fund.
- 3.9 The CCG is in the process of developing financial plans for 2014/15 to 2018/19 and has submitted first cut plans to NHS England.

The Better Care Fund

- 3.10 The Health & Wellbeing Board signed off the joint submission to NHS England. Our Better Care Plan in Brighton and Hove focuses on delivering an integrated model of care for frailty across the City. Agreement has been reached on indicative allocations of the joint pooled funds of £5.631m in 2014/15 and £18.065 in 2015/16. Further work to refine these allocations and agree performance metrics by the final submission date (April 2014) is underway.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 Any overspend will need to be funded from available general reserves which may need to be replenished if the working balance falls below the approved level of £9.000m.

5. COMMUNITY ENGAGEMENT AND CONSULTATION

- 5.1 No specific consultation has been undertaken in relation to this report.

6. CONCLUSION

- 6.1 The Adult Social Care position at month 9 has improved considerably since month 7. The use of remaining one-off risk provisions of £0.567m is now appropriate to partially mitigate the position.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The financial implications are contained within the main body of the report, highlighting the performance against agreed budgets in 2013/14

Finance Officer Consulted: Anne Silley/ Debra Crisp Date: 28/02/14

Legal Implications:

- 7.2 This report is for noting only so that there are no direct legal implications arising from this Report.

Lawyer Consulted: Sandra O'Brien Date: 03.03.14

Equalities Implications:

- 7.3 There are no direct equalities implications arising from this report

Sustainability Implications:

- 7.4 There are no direct sustainability implications arising from this report

Any Other Significant Implications:

- 7.5 None

SUPPORTING DOCUMENTATION

Appendices:

1. Revenue Budget Performance – Adults, S75 and Public Health
2. Home Care costs & usage
3. Capital Budget Performance- Adults

Background Documents

Targeted Budget Management TBM9 (Policy & Resources Committee 13 February 2014)