

Directorate	Quarter 3 Forecast Position	Risks/Issues/Challenges and Opportunities
Acute and Diagnostics	<p>(£2.8m) Overspend</p>	<p>The Acute Directorate is overspent by (£2.293m) as at 31st December 2019 and are forecasting a year end overspend position of (£2.8m). High levels of activity, acuity and delayed discharges continue to put pressure on the Acute care system. These linked with the recruitment pressures of nurses and medics, and the continued reliance on supplementary staffing remains the biggest financial risk within the directorate.</p> <p>The overall nursing position is (£916k) overspent with a £623k spend on agency nurses to date, a reduction on the spend of £700k in the same period in 2018/19.</p> <p>The CRES target for Acute and Diagnostics in 2019/20 is £1.6m. In-year savings of £358k have been recognised so far, of which, £29k is recurrent. The remaining £1.25m relates to target to reduce medical locums. There have been saving made due to move to Direct Engagement (DE) and Clinical Development Fellow (CDF) recruitment but these have not yet been recognised within the directorate. The remaining target is phased Month 7 to Month 12 so we are beginning to recognise the underachievement of this in the position.</p> <p>The drugs position at month 9 is showing an overspend of (£172k) with a year end forecast overspend of (£294k), with the main overspending sitting in surgery mainly due to increased prescribing of drugs for treatment of Wet AMD in ophthalmology.</p>

Key Variances within the delegated budget

Appendix 2

Directorate	Quarter 3 Forecast Position	Risks/Issues/Challenges and Opportunities
Facilities and Clinical Support	(£450k) Overspend	<p>The Facilities and Clinical Support directorate is reporting an overspend of (£256k) and are forecasting a year end overspend of (£450k).</p> <p>The directorate is under spending by £200k on Pays. This is split £120k Property services where there is a reconfiguration of staffing post bedding in new hospital input and £80k in support services where there have been a number of vacancies</p> <p>Non-Pays are overspending by (£402k) year to date; this is forecasted to increase by the year end due to two main factors - the delay in the implementation of the new national clinical waste contract and water charges at DGRI. The clinical waste contract has resulted in a pressure of (£240k) year to date. The new contract was expected to come into force from 2nd August 2019. The directorate received non-recurrent cost pressure funding to cover the cost of the contingency arrangements in place up until that point. These arrangements will continue until at least the end of the financial year which is a pressure of £50k per month until the new contract is operational. We have been accruing in an estimate for the water charges at DGRI up to this point, we are just starting to receive information from the water board around the costs and it looks like we will have a £200k pressure this financial year.</p>
Mental Health Directorate	£77k Underspend	<p>The Mental Health Directorate is reporting an underspend of £59k at December 2019 and are forecasting a year end underspend of £77k.</p> <p>The main areas of Pays variances are underspends within Community £95k, Learning Disability £56k, OT £70k, Psychology £20k, Substance Misuse £25k offset by (£200k) overspends in Management, Inpatient (£48k) and Medical (£20k).</p> <p>Non-pays are underspent by £60k mainly due to underspends in travel £74k, Externals £35k, General £66k, offset by overspends in Drugs (£73k), Clinical (£5k), Equipment/Service Contracts (£37k).</p>

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Community Health & Social Care (NHS)	(£2.463m) Overspend	<p>The Community Health and Social Care Directorate is reporting an overspend of (£1.649m) year to date and is forecasting a year end overspend of (£2.463m) which is due to a prescribing overspend.</p> <p>The Pays position is £423k underspent across the Directorate. £92k relates to Nursing budgets, Health Sciences £129k under, Ancillary £131k, Admin £65k under, off-set by AHP budgets which are overspent by (£92k).</p> <p>Ancillary £131k and Nursing £92k budgets are underspent due to vacancies across Cottage Hospitals and Community Nursing. Health Sciences are underspent by £129k due to vacancies in community pharmacist posts. The favourable swing in month is £64k, following the year to date trend of under spending across nursing, pharmacy and ancillary staffing budgets.</p> <p>The Non-pays position is overspent by (£2.063m) across the Directorate. This mainly relates to Prescribing (£1.956m) overspent. Seven months data has now been received, this is an additional spend of £716k in the month. Volume is up 2.7% on last financial year which has resulted in an increased cost of £646k and an increase in cost of £0.08 per item has resulted in an increase cost of £213k. The unachieved CRES for month 9 within the GP prescribing budget is £516k. There is also an underachievement of Generic discount achieved of £124k year to date, and other prescribing is £200k additional spend due to increased prescribing through advanced nurse practioners and community pharmacy. There are also overspends against surgical sundries, equipment purchases and service contracts.</p>

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Community Health and Social Care (Social Work)	Break-even	<p>The services efficiency targets were £2.9m, £1.25m of this figure has been delivered through reduced residential activity and vacancies with £500k of this figure has been delivered through high balance reclaims and identification of ongoing underspends being achieved. £1.15m of efficiencies can be attributed to alternatives and reduction in care levels.</p> <p>Adult Services - Underspends in this area mainly relate to staffing vacancies across the locality teams.</p> <p>Older People services continue to experience lower levels of activity than budgeted for, forecast spend is currently £0.5m below the budgeted assumption which is last year's spend plus budgeted price growth of £1m, demographic growth of £635k less a savings target of £910k. The care at home spend assumes additional growth in line with strategic commissioning discussions on increased capacity. The underspend relates to a reduction in residential and nursing activity compared to last year.</p> <p>Services within Learning Disability were £1.3m overspent in 2018/19, the 2019/20 budget has applied an additional £3m to offset this pressure as well as meeting price increases and projected growth in need. If budgeted projections came to fruition, then £1.4m of savings would be needed meet these increased costs. Current indications are that they are £350k over budget in 2019/20 aided by £360k of in-house staffing vacancies. This position does not take account of any future growth.</p> <p>Services within Physical Disability are forecasting to be £411k overspent. Activity within direct payments option 1 have increased significantly in the first half of the year which will require savings to address and manage any future growth.</p> <p>At this point in the financial year, there are no indications of any material over or underspends and a closer review will take place during the next month. All staff-based service were realigned to budget costs.</p> <p>The service bring in approx. £12.5m of income relating to service users contribution to care, with free personal care being extended to under 65's we forecast this to drop by £400k. Initial indications are that service user income projections for under 65's are down by £500k. It is difficult to project due to in year financial assessments and bad debt write offs so close monitoring will be required. There is the risk that this increase continues as the service reviews their current care and classifies it as personal care which would further reduce income.</p>

Key Variances within the delegated budget

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Primary Care Services	(£56k) Overspend	<p>Primary Care Services are reporting an overspend of (£237k) year to date and are forecasting a year end overspend of (£56k).</p> <p>The Pays position is (£457k) overspent, (£394k) relates to Medical & Dental and Nursing (£111k) off-set by Admin budgets which are underspent by £56k.</p> <p>Medical pays budgets are overspent due to GP locum costs within 2C practices of (£464k), off-set by underspends of £70k within Dental Services due to historic recruitment issues.</p> <p>The Non-Pays position is underspent by £216k across Primary Care Services. This mainly relates to General Medical Services, due to a favourable review of rent charges across GP premises.</p>
Women's and Children's	£393k Underspend	<p>The Women's, Children and Sexual Health Services Directorate is reporting an overall underspend of £206k to December 2019 and is forecasting a year end underspend of £393k.</p> <p>Pays overall are £313k underspent mainly due to Medical £23k, Neonatal efficient rostering £77k, Public Health Nursing £190k Learning Disability £55k, CAMHS £25k and Midwifery £421k off set by (£491k) in Management & Governance. Active recruitment to vacant posts is ongoing. Non-pays across Directorate are (£106k) over spent YTD, made up of Drugs (£142k), (Includes drug CRES of £35k), Equipment and Service Contracts (£63k) offset by underspends of Clinical £55k, over achieved CRES £40k and General £4k.</p>
e-Health	(£23k) Overspend	<p>The Chief Officer EHealth Directorate is showing an overall overspend of (£1k) as at December 2019 and is forecasting a year end overspend position of (£23k). The shift in the position is due to the additional costs of the new Microsoft licensing (Office 365) and centralised printing.</p>
IJB Strategic Services	(£35k) Overspend	<p>IJB Strategic Services are showing a (£20k) overspend year to date and is forecasting a yearend overspend of (£35k). This is within strategic planning pays where there is an over commitment on permanent posts due to reduction in funding from an external source.</p>

MANAGEMENT IN CONFIDENCE