

Argyll & Bute HSCP Finance & Policy Committee

Tuesday, 29th October 2019 at 10am in J07 Mid Argyll Community Hospital

Present

Councillor Kieron Green (Chair)	IJB Chair
Councillor Gary Mulvaney	IJB Board Member
Stephen Whiston	Head of Strategic Planning & Performance
George Morrison	Deputy Chief Officer
Judy Orr	Head of Finance and Transformation
Fiona Broderick	Staff Side
Sarah Compton Bishop (Audio)	Vice Chair, IJB
Liz Higgins (VC)	Lead Nurse
Kevin McIntosh (Audio)	Staff Side

In attendance

Charlotte Craig	Business Improvement Manager
Irene Luke	PA (minutes)
David Forshaw	Principal Accountant Social Work
Morven Moir	Acting Head of Finance

Apologies

Professor Boyd Robertson	Interim Chair NHS
Joanna MacDonald	Chief Officer
Alex Taylor	Head of Children & Families

		Action by
1.	Welcome and Introduction Kieron welcomed everyone to the meeting with introductions made around the table and VC/Audio sites. Apologies were noted as above.	
2.	Draft Minutes of 10 September 2019 The minute of meeting held on 10 September 2019 was agreed as accurate.	

3.	Action Log Updated Action Log was circulated and noted by the Committee.	
4.	Budget Monitoring Report as at 30 September 2019 & Appendices Papers were circulated prior to the meeting. The Finance & Policy Committee was asked to: Note the forecast outturn position for 2019-20 is a forecast overspend of £1.989m as at 30 September 2019 and that there is a year to date overspend of £0.911m as at the same date. Judy provided a summary overview of the financial position as at 30 September 2019 and highlighted: <ul style="list-style-type: none"> • Year to date overspend of £0.911m as at 30 September 2019 is an increase in overspend of £439k since end of August. This consists of an overspend of £1.163m within Social Work delivered services offset by a year to date underspend of £0.253m within Health. • Forecast outturn position for 2019-20 is an overspend of £1.989m. This consists of £1.671m overspend within Social Work delivered services and a forecast overspend of £0.318m within Health. • Health overspend is mainly linked to savings not being achieved in addition to increased costs for oncology drugs, pharmacy costs, patient referrals, and agency/locum staff. It is expected that through on-going grip and control and NHS Highland Project Management Office cross-cutting workstreams that this can be recovered by the end of the financial year. • Social Work forecast overspend is £1.671m which is a small improvement of £41k on the position at the end of month 5. • The biggest change is shown against Chief Officer, which reflects the new financial recovery plan approved on 7 August for £700k savings and all of these are currently forecast as expected to be achieved. This has been offset by additional slippage on previously agreed savings for Older People (deterioration of £296k) and for Learning Disability (deterioration of £301k). • The biggest change is shown against Chief Officer, which reflects the new financial recovery plan approved on 7 August for £700k All of these savings are currently forecast as expected to be achieved. • The most significant risk affecting the forecast outturn position for Health is the SLA for Greater Glasgow and Clyde. The IJB made a decision to reject the increase and the forecast outturn reflects this position. If this position is not accepted by Greater Glasgow and Clyde then there is a risk that the outturn overspend could increase by £2m to £3m. Discussions are continuing with NHS-GG&C on this matter. 	

	<ul style="list-style-type: none"> • As at end of September, £4.949m of the target £10.523m savings have been delivered – 47% of the total. This has increased by £123k in the last month. The shortfall for Social Work is £2.173m and the shortfall for Health is £1.24m • The additional savings within the further financial recovery plan agreed by IJB on 25 September 2019, are not yet reflected in the forecast outturn position. The position at the end of September has improved by £23k from that forecasted at the end of August. It is hoped the financial position will improve over the remaining months of this financial year. <p>Cllr Mulvaney referred to Appendix 3(b) and expressed concern at the lack of reporting to evidence progress towards achieving savings targets.</p> <p>Verbal updates and discussion points noted:</p> <ul style="list-style-type: none"> • 1819-19 - Service Improvement Officer post is currently being advertised. This role will support Learning Disability services with a focal point to repatriate out of area clients and core & cluster provision. Further and improved focus on Learning Disability and Mental Health services will be facilitated by the appointment of Julie Lusk, Head of Adult Services. Julie commences in post on 16 December 2019 with a portfolio to include Learning Disabilities & Mental Health Services • Health savings are being monitored through a PMO approach with two weekly reporting to SLT. It is hoped that a similar approach can be adopted with Social Work savings targets. • 1819-15 – Children & Families Management Structure will achieve £150k savings but not deliverable until the new structure is in place. Delays are being experienced with HR processes. The new management structure is unlikely to be implemented before 1 April 2020. • Staff side requested clarity in regard to management re-structures and expressed frustration at the lack of progress and update to staff. Charlotte confirmed attendance of staff side at short life working group meetings and reported that with support from Staff Liaison Group a management structure update would be delivered to the Integration Joint Board at the next Development Session. • Charlotte will liaise with short life working groups and provide an update for staff prior to IJB development session. • Actions assigned to new Heads of Adult Services not yet in post were flagged by Sarah as a concern. Judy reported that a meeting with the finance team to brief new Heads of Adult Services was arranged to take place on 22 November. <p>Finance & Policy Committee agreed that more detail and evidence of actions must be presented by officers to provide the Committee with assurance and confidence that progress is being made towards delivering financial balance</p>	
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	<p>Actions: Charlotte, in liaison with short life working groups, to provide an update to staff on management structures Officers to be instructed to provide evidence of actions against savings targets. No update is not acceptable to the Committee</p> <p>Savings Targets to be prioritised with largest target first and fuller detail provided.</p>	<p>CC Owner JO</p>
5.	<p>Budget Outlook 2020-21 to 2022-23</p> <p>Budget Outlook report was circulated to the Committee and provided a summary of the budget outlook, prepared using three different scenarios, best case, worst case and mid-range, covering the period 2020-21 to 2022-23.</p> <p>Judy drew attention to:</p> <p>The increase in public sector pensions' schemes employers' contribution from 14.9% to 20.9%. A&B HSCP has received £4.575m to date and costs are estimated at £5.0m. The expectation is that this will be distributed on NRAC shares for future years.</p> <p>Estimates for non-pay inflation and for future cost and demand pressures have been updated. New health cost pressures have been added for cystic fibrosis drugs, asbestos removal, and LIH clinical lead. In social work, the cost pressure for Throughcare has been removed for all scenarios, and decreased slightly for the Scottish Living Wage. This has been offset by increases across all scenarios for growth in older people, and younger adults services to reflect current demand levels and new inflation allowances for carers allowance and utilities and increased inflation on catering.</p> <p>In the mid-range scenario, the Health and Social Care Partnership budget gap estimated over the three year period 2020-21 to 2022-23 is £21.063m with a gap of £8.838m in 2020-21. The assumptions will be updated and refined as the year progresses.</p> <p>The Finance & Policy Committee accepted and noted the current estimated budget outlook report for the period 2020-21 to 2022-23.</p> <p>Actions: Service Transformation and Quality Impact Assessments require to be completed.</p> <p>Uncertainty over timings of budget allocations. Judy aiming for January.</p> <p>Development Session arranged to fully brief IJB. Judy will include this in her paper.</p> <p>Summary Budget Outlook 2020-2021 to 2022-23 to be presented to IJB in November with supplementary paper prepared by Judy based on main line scenario</p>	<p>Owners JO CC/JO JO</p>

6.	<p>Delivery of Savings</p> <p>Report circulated and the Finance & Policy Committee was asked to</p> <ul style="list-style-type: none"> Consider and comment on the details provided on the approach to savings delivery over the remainder of the financial year. <p>Judy presented the Delivery of Savings report which aims to address concern expressed by Cllr Mulvaney's at the last IJB meeting that the recovery plan appeared to be restricted to additional social work savings, by providing information on the broad approach being taken across Social Work and Health to achieve a break even position.</p> <p>The particular areas of focus for improving the year–end outturn for Health as listed under 3.2.3 within the report were highlighted to the Committee.</p> <p>The Finance & Policy Committee provided comment and agreed on the approach to savings delivery over the remainder of the financial year.</p>	
7.	<p>NHS Greater Glasgow & Clyde Update</p> <p>George provided an update on negotiations with NHS GG & C with regard to the Service Level Agreement with Argyll & Bute HSCP for 2019-20.</p> <p>Following a written offer made to NHS GG & C Chief Executive in September a useful meeting took place on 17th September attended by NHS GG & C, Argyll & Bute HSCP and NHS officers. A draft Terms and Conditions for the Provision of NHS Services 2019/20 was received from NHS GG & C yesterday. George will be responding and efforts are being made to arrange a follow up meeting in November.</p> <p>The Finance & Policy Committee noted the verbal update and that officers continue in negotiations with NHS GG & C.</p>	
8.	<p>Finance & Policy Committee Terms of Reference</p> <p>Charlotte presented this report and particularly asked the Finance & Policy Committee to review quoracy and frequency of meetings.</p> <p>The Chair confirmed that during financial challenge frequency of Finance & Policy Committee meetings should remain monthly with the expectation that longer term meetings would take place two monthly between IJB meetings, at least 6 meetings per year.</p> <p>The Committee agreed quoracy and membership as stated with officers invited to attend as directed. Vacancy for recruitment to Third Sector/Public/Carers member.</p> <p>Oversight of the Service Transformation Board and formal reporting from workstreams to be included within the Terms of Reference.</p> <p>The Finance & Policy Committee considered the detail of the General Provisions and Terms of Reference and with the above amendments approved recommendation to the IJB.</p>	CC

9.	<p>Transformation Update</p> <p>Stephen reported that following the meeting of the Integration Joint Board in September he had met with Executive Leads to discuss realigning responsibilities and along with Judy and Charlotte was looking at governance and transformation delivery as part of the Strategic Plan with a whole system approach.</p> <p>A formal report will be presented to the next Finance & Policy Committee meeting.</p> <p>The Finance & Policy Committee noted the verbal update with the expectation of future workstream reporting to ensure oversight.</p>	SW
10	<p>AOB:</p> <p>No other business was raised.</p>	
	<p>Date of next Meeting 21st November 2019 at 1.30pm in Committee Room 1.</p>	