

REPORT

Finance update

Integration Joint Board

21st September 2023

Executive Summary

The report provides the Integration Joint Board with an update on the financial performance of delegated services. The level of assurance provided of a break-even position for 2023/24 is **limited**, given the remaining budget deficit. Should no resolution be identified over the coming weeks, a recovery plan will be presented to the October meeting of the board.

Recommendations

- It is recommended that the board notes the:
- a) financial position for delegated services to 31st July 2023 and associated year end forecast; and
 - b) limited assurance provided by the Chief Finance Officer.

Directions

Direction to City of Edinburgh Council, NHS Lothian or both organisations	No direction required	✓
	Issue a direction to City of Edinburgh Council	
	Issue a direction to NHS Lothian	
	Issue a direction to City of Edinburgh Council & NHS Lothian	

Report Circulation

1. The content of this paper was considered at the Performance and Delivery Committee on 6th September 2023. Further, the financial positions highlighted within this report have been considered through the appropriate governance structures of our partners, the City of Edinburgh Council (the Council) and NHS Lothian.

Main Report

Background

2. In March 2023, the Integration Joint Board (IJB) considered the 2023/24 financial plan and agreed the first phase of the associated savings and recovery programme (SRP). The second phase of the SRP, along with further mitigating actions, was subsequently agreed in June 2023. At this point the plan remained unbalanced with a deficit of £14.2m. The board accepted the recommendation from officers that bridging this residual budget gap would require a series of measures which would have significantly negative in-year and future year consequences for people and performance more generally. On the request of the board, the Chair wrote to Scottish Ministers setting out the challenge posed by the financial position and the potential implications of delivering additional savings. Whilst the response acknowledged the significant challenges currently facing the health and social care sector due to workforce shortages, financial constraints and increased demand it highlighted that agreeing budgets is the responsibility of partnerships. The response and subsequent letter from the Chair are attached as appendices 1 and 2.

Overview of financial position

3. In line with the integration scheme, the IJB “directs” budgets back to our partner organisations who provide the associated services. Most of these services are delivered through the Edinburgh Health and Social Care Partnership (EHSCP), with the balance being managed by NHS Lothian under the strategic direction of the IJB. Management of financial performance is undertaken through the governance arrangements in the 2 partner organisations and the Partnership.

4. Budget monitoring is undertaken by the finance teams within the Council and NHS Lothian who have responsibility for working with budget holders to prepare information on financial performance. Both partners provide the required information on operational budget performance from their respective financial systems, under the co-ordination of the IJB Chief Finance Officer, to provide reports to the board on delegated health and social care services.
5. The information in this report is based on the period 4 (July 2023) monitoring reports from the Council and NHS Lothian. A potential year end overspend of £29.0m is forecast, as summarised in table 1 below. This is an overall deterioration of £0.9m over the position reported to the IJB in August 2023.

	Annual Budget £k	To July 2023			Year end forecast £k
		Budget £k	Actual £k	Variance £k	
NHS services					
Core	312,267	100,286	101,628	(1,342)	(1,670)
Hosted	93,339	33,889	33,731	157	498
Set aside	111,913	34,404	38,034	(3,630)	(11,139)
Pay award funding	2,423	2,423	2,427	(4)	(0)
Sub total NHS services	519,942	171,001	175,820	(4,818)	(12,312)
CEC services	294,943	98,314	103,878	(5,563)	(16,690)
Total	814,885	269,316	279,697	(10,381)	(29,001)

Table 1: financial position for delegated services

6. Whilst clearly a significant figure, the advice given to the board in August is that, overall it was not materially different from the financial plan. After finalising the month 4 reporting this position has slightly changed. Although in total the projected overspend has increased by £1m, this reflects a combination of an anticipated improvement in the NHS results and a worsening of the Council's. Table 2 below summarises the differences to the financial plan and shows the currently identified mitigations:

Pressure	Financial plan £m	Forecast £m	Mitigation
Budget deficit	(14.1)	(14.1)	Identification of further saving and ongoing discussions with partners, including SG
Set aside	(8.0)	(11.1)	Additional funding assumed from NHS Lothian
Core partnership	0.0	(1.7)	Anticipated funding for pay uplifts to come and discussion on allocation of new medicines and sustainability monies
Net Council position		(2.5)	Will need to be addressed via recovery plan if position does not recover
Other		0.4	N/A
Total	22.1	28.1	

Table 2: drivers and mitigation of financial position

7. Further detail is included in appendices 1 (NHS Lothian) and 2 (the Council), with narrative explanations in paragraphs 8 to 21.

NHS Lothian

8. Delegated health services are forecasting a £12.3m overspend for the year, an improvement of £1.4m from the position reported to the IJB in August. Members will recall that NHS Lothian undertook to work collaboratively with the 4 Lothian integration authorities to deliver a balanced outturn. On this basis, financial plan assumed that set aside services would be fully funded. This

additional investment from NHS Lothian will reduce the forecast overspend to £1.2m.

9. This in turn should be managed through potential sources of additional funding as reported to the board in August. An update on these is given below:

- The Scottish Government (SG) issued funding for the 22/23 and 23/24 pay awards associated with baseline budgets. To date uplifts linked to in year allocations for the primary care improvement fund and the alcohol and drug partnership have been confirmed. These adjustments have now been reflected in the forecast, improving the core position by c£1.8m. Still outstanding is the pay award funding linked to action 15 (mental health) and multi-disciplinary teams. The forecast will be updated once the values have been advised by the SG.
- In June 2023, the SG allocated further funding to boards to support the 2023/24 financial position. There are two parts to the funding - new medicines and NRAC parity/sustainability. NHS Lothian received £15m for new medicines funding and £18m for NRAC parity/sustainability. The allocation of these additional resources still has to be decided and at this point no impact has been reflected in the IJB's forecast. However, the clear expectation is that an element of new medicines funding will be allocated to delegated services given the pressures reported on drugs budgets within set aside services. It is also likely that a proportion of the sustainability funding will also be allocated to delegated services given the impact of demographic growth and corresponding demand pressures on health services. The process to allocate this additional funding should have concluded by September at which point the impact of any additional funding will be reflected in the updated year end forecast position for delegated services.

10. Notwithstanding the issues raised above, the underlying drivers remain as previously reported to the board, namely:

Core health services

11. Services which are operationally managed by the EHSCP and are projecting an overspend of 1% or £1.7m. This is an improvement over the previous forecast following the allocation of pay award funding referenced in paragraph 9 above.
12. Prescribing remains the major financial pressure in core services with a current projected year end overspend of £5.0m. Limited data was available to inform the forecast, hence it is currently based on the financial plan. This is a national issue for which a resolution is being pursued via NHS Directors of Finance. Given the volatility of the prescribing position this lack of information on which to base estimates presents a risk.
13. This is offset by continuing high levels of vacancies across a number of services - including community hospitals, district nursing, mental health, and allied health professionals. Overall nursing is showing a gap against establishment of 8%, with the most significant vacancies in district nursing (22%) and mental health & substance misuse services (21%). AHP vacancies within core service mainly relate to locality teams within the hubs as well as community physiotherapy services.

Share of pan Lothian hosted services

14. Represented by the element of hosted services delegated to the IJB, the majority of which are operationally managed out with EHSCP. As for core services, vacancies are a key factor in the financial position especially across Rehab Medicine where the establishment gaps for nursing and AHPs combined is over 11%. This is offset by a range of pressures (mainly in primary care and psychology). The primary care pressure mainly relates to community continence services where we have seen a sharp increase in prices linked to a new national contract. Psychology has been impacted by the reduction of funding from SG for the mental health outcome framework which has left some specialist, supervision and support posts unfunded.

Share of acute set aside services

15. The IJB's share of acute hospital services which although delegated, are operationally managed by NHS Lothian. At an overspend of £11.1m, set aside remains the primary driver of the forecast outturn. This will reduce at the next monitoring update once the additional SG funding for new medicines and sustainability has been allocated. The remaining balance will be funded by NHS Lothian. A separate report on the financial position for set aside services was considered by the Performance and Delivery Committee on 6th September 2023.

City of Edinburgh Council

16. Council delegated services are forecasting an overspend of £16.7m. In arriving at this position some key assumptions have been agreed:
 - *Purchasing* – further growth for the remainder of 23/24 has been assumed in line with the financial plan;
 - *Transport* – given the lack of available data for 23/24 spend has been assumed in line with last year's levels (less savings delivery); and
 - *Savings* – for schemes which are still in the planning stage, full achievement has been assumed in line with the plan. Where projects have started, actual delivery is reflected in the forecast. It should be noted that no material variance from plan has been identified at this point in the financial year.
17. The majority of the overspend equates to the budget shortfall of £14.1m referenced at paragraph 2 above. The balance of £2.6m is a combination of factors set out below.

Employees

18. Underspend due to previously reported recruitment challenges. These are mainly in disability services, but also assessment and care management and homecare and reablement teams.

Transport

19. As discussed above, there is limited data available at month 4 and so a prudent forecast, assuming levels of spend in line with last year, has been assumed. Sufficient 23/24 data will be available at month 5 and a more detailed forecast will be completed.

Purchasing

20. Projected in year overspend is partly related to timing issues, which a combination of last year's costs coming through the financial ledger this year and some provisions created pre-April 23 not yet invoiced. The Council's finance team is working with locality leads and customer colleagues on a data cleansing exercise.

Income

21. An over-recovery of residential client receipts is forecast, potentially as a result of achieving gross funding targets.

Savings and recovery programme

22. The savings and recovery programme (SRP) for 2023/24 was approved by the EIJB at its meetings on 21st March 2023 and 13th June 2023. The SRP was developed as part of the medium-term financial strategy for the EIJB, which aims to provide a structured approach to reaching financial balance and sustainability through delivery of a multi-year programme of change and efficiency. The 2023/24 SRP will deliver in year savings of £20.68m. The RAG status used to evaluate project progress and financial progress is provided in appendix 5.
23. As of August 2023, 22 projects have been reported as either low, moderate or high risk. Highlights include:
 - 3 projects have achieved their savings targets and close reports for these projects have been submitted and logged with SGB. These are set out in appendix 4.
 - 2 projects are on track and delivering savings beyond plan.

- A further 2 have achieved their savings and are likely to be closed shortly.
- 14 Projects are on track, present low financial risk and are forecast to deliver full savings under the 23/24 savings and recovery programme.
- 1 project is on hold whilst internal HR processes are completed.

Conclusion

24. This paper sets out the high-level financial forecast for 23/24, based on the actual results for the first 4 months of the financial year. Nonetheless it should be recognised that the forecast reported in this paper reflects a worsening of the IJB's financial position from that identified in the financial plan. Some mitigations are in place but it is not clear at this point whether they are sufficient to bring the position back in line with the financial plan.
25. Whilst discussions with partners on proposals to bridge the remaining £14.2m budget deficit have been positive, no solution has yet been identified. On this basis the Chief Finance Officer can give limited assurance at this point in the year.
26. Further, in line with the requirements of the integration scheme, if no solution is identified to address the financial gap, the Chief Officer will present a recovery plan to the October meeting of the board. As highlighted through the financial planning process, the opportunities to deliver savings which do not impact on service delivery, and which can be realised by the end of the financial year have now been exhausted. Thus, any such recovery plan will set out proposals for service reductions which will inevitably lead to poorer outcomes for people, worsen performance and endanger delivery of the improvement plan.

Implications for Edinburgh Integration Joint Board

Financial

27. Outlined elsewhere in this report.

Legal/risk implications

28. Like any year end projection, the IJB's relies on a number of assumptions and estimates each of which introduces a degree of risk. These assumptions will be closely monitored as the year progresses, in particular in those areas which present the highest risk. These include:

- Delivery of the agreed savings and recovery programme. This will be governed via the newly established EHSCP change board with further scrutiny undertaken by P&D;
- External purchasing costs, with a particular focus on the built in level of growth;
- Prescribing which is the area of greatest financial pressure in EHSCP core services and where there has been a delay with the availability of data to inform the position. Both prescribing and purchasing expenditure will be closely monitored via the newly introduced performance meetings and scrutiny from P&D; and
- Additional funding for outstanding pay uplifts. It is anticipated that the SG position will be confirmed in the coming weeks and updates will be included in future finance reports.

Equality and integrated impact assessment

29. There is no direct additional impact of the report's contents.

Environment and sustainability impacts

30. There is no direct additional impact of the report's contents.

Quality of care

31. There is no direct additional impact of the report's contents.

Consultation

32. There is no direct additional impact of the report's contents.

Report Author

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Appendices

Appendix 1	Letter from Cabinet Secretary
Appendix 2	Letter to Cabinet Secretary
Appendix 3	Financial position for NHS delegated services
Appendix 4	Financial position for Council delegated services
Appendix 5	Progress with 2023/24 savings and recovery programme

Cabinet Secretary for NHS Recovery Health and Social Care

Rùnaire a' Chaibineit airson Ath-shlànachadh NHS, Slàinte agus Cùram Sòisealta

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Our Reference: 202300368504

18 August 2023

Dear Ms Kasper,

Thank you for your letter dated 18th July regarding your funding concerns in relation to the Edinburgh Integration Joint Board.

I am grateful for ongoing efforts to improve the support being provided to the people of Edinburgh and I appreciate the feedback on what is being done to support those in need of care. The impacts and plans you have highlighted in your letter are welcomed, are positive, and going in the right direction.

The Budget for 2023/24 provides record funding of over £19 billion for the health and social care portfolio, providing new investment of over £1 billion and supporting recovery and reform to secure sustainable public services. The health budget provides investment of over £1.7 billion for social care and integration meaning the social care spending has increased by over £800 million compared to 2021-22 – well ahead of our trajectory to increase funding by 25% over the life of the Parliament.

Resources available to Local Government have increased by over £739 million 2023-24, a real term increase of £376 million or 3%. In 2023-34, the City of Edinburgh Council will receive £953 million to fund local services, which equates to an extra £37.7 million to support vital day to day services or an additional 4.3% compared to 2022-23.

In addition to these sums, all councils will receive their fair share of the currently undistributed sum of £329.8 million.

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot

Tha Ministearanna h-Alba, an luchd-comhairleachaidh sònraichte agus Rùnaire Maireannach fo chumhachan Achd Coiteachaidh (Alba) 2016. Faicibh www.lobbying.scot

St Andrew's House, Regent Road, Edinburgh EH1 3DG



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Over the course of Winter 2022/23, the Scottish Government made available additional funding to IJBs to increase provision of interim care beds by enabling them to pay an additional 25% over the cost of the National Care Home Contract. This was an in-extremis, time limited, measure which was intended to support IJBs, should they wish and have the ability to do so, expedite the discharge of patients from acute sites, in turn alleviating pressure. It is our understanding that Edinburgh IJB already made use of interim beds, above the NCHC rate, prior to this additional funding being made available. Edinburgh IJB did not claim any of the additional funding made available by Scottish Government.

IJBs have responsibility for managing and delivering financial balance for the health and social care responsibilities that are delegated to them. Scottish Government provide funding to Health Boards and local authorities and it is for local partners to agree a budget which will enable them to deliver the ambitions of their Strategic Commissioning Plan. Integration Authorities regularly report on their in year financial position to ensure partners can take decisions on whether further action is required to address any pressures, including whether additional allocations from partner bodies are necessary. Concerns about funding settlements should be made by the IJB to the Health Board and local authority.

Integration Joint Boards (IJBs), Local Authorities, and Health Boards must undertake effective engagement in advance of planning services. This has to be a continuous way of working that properly seeks to understand the needs of local people and how best to meet them.

I acknowledge the significant challenges currently facing the health and social care sector due to workforce shortages, financial constraints and increased demand. While agreeing budgets is the responsibility of partnerships, we will continue to engage across the sector to ensure that solutions not only address financial pressures but put the needs of local people, particularly those most vulnerable, at the centre.

I am aware that you are meeting the Minister for Social Care, Mental Wellbeing and Sport on 11 August 2023 in order to discuss Edinburgh's recent improvement plan, which I understand was discussed at the IJB in June 2023 along with the Medium-Term Financial Strategy. I have requested an update on this discussion following the meeting.

Yours sincerely,



MICHAEL MATHESON

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Tha Ministearanna h-Alba, an luchd-comhairleachaidh sònraichte agus Rùnaire Maireannach fo chumhachan Achd Coiteachaidh (Alba) 2016. Faicibh www.lobbying.scot

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Mr Michael Matheson
Cabinet Secretary for NHS Recovery, Health, and Social Care
Via email

5 September 2023

Dear Mr Matheson,

Thank you very much for your letter of 18 August 2023. On behalf of the Edinburgh Integration Joint Board (EIJB) I would like to pass on our thanks for your recognition of the support we provide for the people of Edinburgh.

Your letter appears to have been written before, but sent after, our meeting on 11 August 2023 with the Minister for Social Care, Mental Wellbeing and Sport and Scottish Government officials. The meeting which was attended by the Council Leader, Chief Executives of City of Edinburgh Council and NHS Lothian, EIJB Vice Chair, Interim Chief Officer and I was very productive and focused on the significant improvement journey facing us in Edinburgh. The financial challenges which are linked to this were also discussed, specifically our inability to continue funding the interim beds which I referenced in my letter to you of 18 July 2023. Ms Todd agreed to discuss potential options with you for funding these on a non-recurring basis to help us maintain the position through winter, while we continue to explore all other options to improve our performance.

While interim beds are not a long-term solution to Edinburgh's delayed discharge challenge, the withdrawal of funding during 2023/24, will reduce our capacity from 1 October 2023 and we are all concerned of the direct impact this will have on Edinburgh's performance and outcomes for people.

In addition to the non-recurring £2m requested of Scottish Government for interim beds, the EIJB still need to identify a further £14m savings for 2023/24, hence our inability to fund this initiative from our existing resources.

Ms Todd's support in recognising our financial challenge with interim beds and more generally was much appreciated and I have fed that back to the EIJB.

The Board's Vice Chair and I would welcome the opportunity to engage with you and your officials to explore any of the issues raised either in this letter or the original letter from July. However, we are also aware of the time critical nature of this funding requirement, due to the disinvestment being from 1 October 2023.

I appreciate that this is a very challenging time financially for the Scottish Government as well as ourselves and therefore appreciate your consideration of our request and your continued support.

Yours sincerely

A handwritten signature in black ink, appearing to read "Katharina Kasper", with a long, sweeping underline.

Katharina Kasper
Chair, Edinburgh Integration Joint Board

FINANCIAL POSITION FOR NHS DELEGATED SERVICES

	Annual Budget £k	To July 2023				Year end forecast £k
		Budget £k	Actual £k	Variance £k	%	
Core services						
Community equipment	2,852	7	7	(0)	-3%	(1)
Community hospitals	14,585	4,863	4,629	233	5%	791
District nursing	15,723	5,441	4,897	544	10%	1,672
Geriatric medicine	3,666	1,222	1,155	67	5%	208
GMS	94,912	30,313	30,847	(534)	-2%	(1,134)
Learning disabilities	1,428	480	418	62	13%	174
Mental health	10,296	3,512	3,246	265	8%	786
PC Services	6,615	5,505	5,583	(78)	-1%	(342)
Prescribing	82,074	26,710	29,088	(2,378)	-9%	(4,960)
Resource transfer and reserves	60,851	15,229	15,177	52	0%	66
Substance misuse	4,727	1,597	1,414	183	11%	580
Therapy services	12,808	4,763	4,575	189	4%	441
Other	1,728	645	591	53	8%	47
Sub total core	312,267	100,286	101,628	(1,342)	-1%	(1,670)
Hosted services						
GMS	(9,470)	1,616	1,721	(105)	-7%	(340)
Hospices & Palliative Care	2,971	990	992	(2)	0%	(23)
Learning Disabilities	8,346	2,593	2,658	(65)	-3%	(61)
LUCS	7,429	2,060	2,068	(7)	0%	(24)
Mental Health	34,949	11,780	11,808	(28)	0%	329
Oral Health Services	5,254	937	931	6	1%	127
Pharmacy	6,565	1,878	1,948	(69)	-4%	242
Primary Care Services	3,291	1,133	1,184	(52)	-5%	(568)
Psychology Services	5,774	1,586	1,752	(166)	-10%	(323)
Public Health	1,172	267	245	22	8%	21
Rehabilitation Medicine	5,693	1,825	1,552	273	15%	685
Sexual Health	4,818	1,511	1,531	(21)	-1%	(50)
Substance Misuse	3,103	1,131	1,054	77	7%	85
Therapy Services	10,715	3,571	3,479	92	3%	422
UNPAC	3,746	780	523	257	33%	713
Other	(1,017)	230	283	(53)	-23%	(736)
Sub total hosted	93,339	33,889	33,731	157	0%	498
Set aside services						
Acute management	3,664	1,221	1,296	(75)	-6%	(174)
Cardiology	4,384	1,461	1,458	3	0%	25
Diabetes & endocrinology	2,984	620	766	(146)	-24%	(1,007)
ED & minor injuries	12,120	3,955	4,546	(591)	-15%	(1,672)
Gastroenterology	8,760	2,886	3,818	(932)	-32%	(2,957)
General medicine	31,300	10,436	11,318	(882)	-8%	(2,571)
Geriatric medicine	21,646	7,085	7,304	(219)	-3%	(731)
Infectious disease	3,520	(1,440)	(1,646)	206	-14%	512
Junior medical	2,574	880	1,025	(145)	-17%	(32)
Other	848	277	236	41	15%	19
Rehabilitation medicine	1,999	648	713	(65)	-10%	(204)
Respiratory medicine	7,299	2,527	3,031	(504)	-20%	(1,640)
Therapy services	10,813	3,847	4,168	(321)	-8%	(708)
Sub total set aside	111,913	34,404	38,034	(3,630)	-11%	(11,139)
Pay award funding	2,423	2,423	2,427	(4)	0%	(0)
Total	519,942	171,001	175,820	(4,818)	-3%	(12,312)

FINANCIAL POSITION FOR COUNCIL DELEGATED SERVICES

	Annual Budget £k	To July 2023				Year end forecast £k
		Budget £k	Actual £k	Variance £k	%	
Employee costs	102,081	34,027	32,989	1,038	3%	3,114
Premises costs	1,398	466	579	(113)	-24%	(339)
Transport costs	2,838	946	1,215	(269)	-28%	(807)
Supplies, services and transfer payments	11,036	3,679	3,514	164	4%	493
Purchasing - residential and FPNC	88,734	29,578	30,740	(1,162)	-4%	(3,485)
Purchasing - day care and care at home	123,809	41,270	42,370	(1,100)	-3%	(3,301)
Purchasing - direct payments and ISF	50,160	16,720	16,999	(279)	-2%	(837)
Purchasing - grants and block contracts	31,324	10,441	10,370	71	1%	214
Purchasing - other	4,446	1,482	1,322	160	11%	480
Grants funding and cost recovery	(87,306)	(29,102)	(29,091)	(11)	0%	(33)
Income	(19,441)	(6,480)	(7,129)	649	-10%	1,946
Sub total	309,079	103,026	103,878	(851)	-1%	(2,554)
Budget gap	(14,136)	(4,712)		(4,712)	100%	(14,136)
Net position	294,943	98,314	103,878	(5,563)	-6%	(16,690)

PROGRESS WITH 2023/24 SAVINGS AND RECOVERY PROGRAMME

Project Number	Project Name	23/24 Savings Target (£M)	Progress RAG	Savings RAG	Progress update as of end July 2023
1	Review and Assessment <i>Enablers:</i> <i>Digital Care Development</i> <i>3 Conversations</i> <i>Digital Front Door</i>	£1.22	6	0	Recruitment underway for temporary team to address review and assessment backlog. Team expected to be in place by early September. Reviews and assessments will utilise a 3 Conversations approach and with a focus on ensuring right sizing of any care and support provision. There will be a strong focus on the principles of early intervention, signposting, community engagement and use of non-costed services and supports.
2	Commissioning and brokerage	£1.00	4	0	Recruitment underway for lead commissioner role to drive this forward. Focus will be on market shaping and new contract arrangements to ensure best value.
3	One Edinburgh	£0.50	6	4	Work continues to improve performance in the internal homecare teams, with a focus on improved sickness absence rates and higher contact time as a result of the implementation of Total Mobile. £200k savings realised to date.
4	Hosted and set aside	£2.80	6	2	The savings are a combination of drug switches, grip and control actions and improvements around the use of agency. The YTD delivery is slightly behind the plan due to a slower delivery of workforce savings. However further cost reductions are expected in the latter part of the financial year.
5	Continence	£0.05	6	3	New continence product contract details have been released to clinical services and work is ongoing to review and identify areas for savings. New ordering system continues to embed. Care home pilot still ongoing with mixed result, however confidence remains high that savings will be delivered in year.
6	Structure reorganisation	£0.13	5	0	Additional resource has been secured to support the organisational review of operational services over the next 6 months.
7	Agency and overtime	£0.60	7	0	Focus on areas of high agency spend, including internal care homes and internal LD services. Reducing the overall agency spend in these two services is challenging as safe staffing levels must be met to ensure residents needs can be met however, a review of the existing staffing establishment is planned to ensure the right skill mix is in place to meet residents' needs.
8	Optimising SDS	£2.00	4	0	SDS reclaim underway however savings will not be counted until the baseline £3.4m has been reclaimed. Total reclaim target is £5.4m. Direct Payment policy and procedure updated. PM recruited and further recruitment underway.

Project Number	Project Name	23/24 Savings Target (£M)	Progress RAG	Savings RAG	Progress update as of end July 2023
9	Purchasing (gross funding)	£0.40	4	7	On track. To date, £908k has been invoiced with payments of £322k being received.
10	Employability services (The Works)	£0.25			This project is on hold whilst internal HR processes are completed. No monthly flash report required whilst on hold.
11	Spot purchasing grip and control	£1.00	6	5	Good progress made with circa £500k delivered to date through tighter control of block contracts. Confidence is high that full saving will be achieved.
12	Decommissioning interim beds	£3.20	7	0	Notice given to cease block contracts from 1 October 2023. Proactive discharge planning underway. Admissions ceased except for any residents with known dates for onward discharge within period.
13	Community equipment	£0.28	6	0	Analysis of non-core equipment orders over last financial year highlighted an opportunity to make significant saving in relation to postural seating. 2 core items identified to be added to stock list to prevent non-core orders. Confidence remains high that savings will be delivered in year.
14	2C Practices	£0.05	6	7	Whilst the savings forecast on track, 2C practices face a challenge with vacancies and maternity cover.
15	Prescribing	£2.60	7	2	Prescribing improvements are making good progress. There are a number of workstreams underway and the total saving to date across all workstreams is £740,000. One of the key workstreams is GPIIP which has delivered 71% against its target so far with further savings anticipated.
16	Overnight support	£1.15	8	9	Overnight Support: The overnight remote responder service is an alternative to more traditional methods of support for service users requiring support in their own homes overnight. This project began in 22/23 and has now delivered 100% of target savings. Work is underway to establish whether there remains scope for any further savings in this area, potentially through focussing on a different cohort of individuals.
17	Community Transport	£0.50	5	0	Work is ongoing with the Corporate Transport Unit (CTU) to match people onto shared vehicles. Risks identified due to increased taxi and core provision costs not built into financial plan. Financial impact based on current usage has been calculated, however full impact on financial plan will be unknown until the work progresses to move people on to shared journeys.
18	Housing support	£0.45	9	9	Guidance for housing support under review to ensure that is linked into the work on the implementing the 3cs assessment and personal support plan. The review and triage team have begun to focus on reviewing people who receive

Project Number	Project Name	23/24 Savings Target (£M)	Progress RAG	Savings RAG	Progress update as of end July 2023
					housing support with clear performance measures in place. March - June 133 reviews were undertaken with 848.75 hours of housing support reducing to 384 hours
19	Pentland ward investment	£1.10	10	10	Saving delivered in full and project closed.
20	Community investment fund	£1.00	10	10	Savings delivered in full, and project closed.
21	Blood borne virus investment	£0.20	10	10	Savings delivered in full and project closed.
22	Contract uplifts	£0.20	8	8	Confidence is high in delivery of the saving. Slippage will be calculated by Finance and Contracts colleagues throughout the year to realise the saving. No monthly flash report required.
TOTAL		£20.68			