

CÙRAM IS SLAINTE NAN EILEAN SIAR

INTEGRATION JOINT BOARD



Meeting date:	28 March 2024
Item:	4.2
Title:	24/25 Budget and 3 year plan
Responsible Officer:	Debbie Bozkurt, Chief Financial Officer
Report Author:	Same as above.

1 Purpose

This is presented to Members of the Integration Joint Board for:

- Discussion

This report relates to a:

- Governance Structure of the IJB

Competence:

- There are no legal, financial or other constraints associated with the report.

2 Report summary

2.1 Situation

The 2024/25 budget initially required for the delegated and set aside functions is £83.263m, as shown in table below, which is resulting in an initial budget gap of £6.261m. This figure includes the full staffing complement of both Seaforth House and Bremner Court and excludes reserves. After earmarked reserves for the Goathill complex are included, anticipated Scottish Government Grants, unavoidable vacancies and NHS Financial Flexibility and an assumption around the full opening of Bremner Court (extra care housing, care home beds and respite beds) are applied, this brings the net 24/25 gap to £2.462m. An in-depth savings and choices plan will be presented to members to enable a break-even position to be achieved, by end of June.

2.2 Background

The table below shows the financial budget for the next 3 years as of 28 March 2024.

	24/25 Total £'000	25/26 Total £'000	26/27 Total £'000
Expenditure			
IJB Management	6,604	6,736	6,872
Alcohol and Drugs	713	713	713
Adult Social Services	30,500	31,415	32,357
Allied Health Professionals	3,133	3,227	3,324
Community Nursing	8,270	8,518	8,774
Dental Services	3,639	3,749	3,861
Mental Health Services	3,500	3,605	3,713
Associate Medical Director	18,224	18,957	19,724
Acute Set Aside	8,680	8,854	8,389
Gross Total	83,263	85,774	87,727
Income	77,002	77,002	77,002
GROSS GAP	(6,261)	(8,771)	(10,725)
Savings/Financial Flexibility			
Vacancies - unavoidable	1,400	1,000	1,000
Goathill reserves	649	649	649
Other Savings	350	100	100
Bremner Court, vacancies net of Void	500	-	-
Financial Flexibility inc EM Reserves	900	-	-
NET GAP	(2,462)	(7,022)	(8,975)

2.3 Assessment

If the IJB do not make a high level of recurring savings each year and if the level of funding available is not increased than by 26/27 the Board could be looking at a £10.725m gross initial budget gap and a net £8.975m gap. With that level of gap then changes in service will need to be made over and above some of the choices that will have to be made to allow the Board to break-even in 24/25. Work linking in financial savings and long-term strategies for Health and Social Care need to start immediately, specifically as many will need to be consulted on and would possibly trigger change management processes in both partners

2.3.1 Quality/ Patient Care

N/A

2.3.2 Workforce

N/A.

2.3.3 Financial

As above

2.3.4 Risk Assessment/Management

Ability to continue to break-even is corporate risk

2.3.5 Equality and Diversity, including health inequalities

An impact assessment has not been completed because it is not required in this instance

2.3.6 Other impacts

N/A.

2.3.7 Communication, involvement, engagement and consultation

N/A

2.3.8 Route to the Meeting

A draft report was presented previously to IJB Members.

2.4 Recommendation

It is recommended that members of the IJB

- a) Note the Gap for 24/25 that will need to be closed to break-even.
- b) Note that the IJB 2024/25 budget with a savings/choices plan will come to the IJB in June for approval.
- c) Note the 3-year Gross Gaps of £6.261m, £8.771m and £10.725m respectively.

3 List of appendices

The following appendices are included with this report:

Item 8.1.1 – Appendix 1 - IJB Budget 2024/25