

# CÙRAM IS SLAINTE NAN EILEAN SIAR

## INTEGRATION JOINT BOARD



**Meeting date:** 27 June 2024

**Item:** 6.1

**Title:** 2024/25 Budget and 3-Year Plan

**Responsible Officer:** Debbie Bozkurt, Chief Finance Officer

**Report Author:** Debbie Bozkurt, Chief Finance Officer

### 1 Purpose

This is presented to the Integration Joint Board (IJB) for:

- Decision

This report relates to a:

- Government policy/directive
- Local policy
- NHS Board/Integration Joint Board Strategy or Direction

**Competence:**

- Financial impact - appropriate review and approval of resource availability

### 2 Report summary

#### 2.1 Situation

The IJB Budget for 24/25 was presented to the Board on the 28<sup>th</sup> March 2024 with a **£2.462m** gap and agreement that the Chief Financial Officer would report back in June when the draft annual accounts were completed to ascertain whether general reserves or any other carry forward reserves held at year end 23/24 would be enough to bridge the financial gap for 24/25. This was together with the full cost recovery review that was due at policy and resources committee in April.

## 2.2 Background

The table below shows the financial budget for the next 3 years that went to the IJB Board meeting 28<sup>th</sup> March 2024, note the budget gap of **£2.462m** for 2024/25.

	24/25	25/26	26/27
	Total	Total	Total
	£'000	£'000	£'000
<b>Expenditure</b>			
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
<b>Gross Total</b>	<b>83,263</b>	<b>85,774</b>	<b>87,727</b>
<b>Income</b>	77,002	77,002	77,002
<b>GROSS GAP</b>	<b>(6,261)</b>	<b>(8,771)</b>	<b>(10,725)</b>
<b>Savings/Financial Flexibility</b>			
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	-	-
			-
<b>NET GAP</b>	<b>(2,462)</b>	<b>(7,022)</b>	<b>(8,975)</b>

## 2.3 Assessment

At year end 23/24 the reserve position was higher than expected when the original budget was presented on 28<sup>th</sup> March 2023, mostly due to the inability to recruit to specific posts which has allowed for underspends to be transferred to reserves or the need for transfer of monies from reserves. This position, however, is subject to audit sign off, date of which is to be confirmed. Together with the agreement for full cost recovery from Policy and Resources Committee and subsequently agreed by full Council, the IJB budget is now in a break-even position for 24/25. The updated gap is shown below, to note although the full cost recovery will be recurring there is no other improvement in the projected out-turn for 25/26 and 26/27 which assumes posts in Bremner court will be filled and also the posts in the reablement service.

	24/25 Total £'000	25/26 Total £'000	26/27 Total £'000
<b>GROSS GAP</b>	<b>(6,261)</b>	<b>(8,771)</b>	<b>(10,725)</b>
<b>Savings/Financial Flexibility</b>			
Vacancies - unavoidable	1,400	1,000	1,000
Goathill reserves	649	649	649
Travel, Near Me, Supplies	250	100	100
Prescribing Target	100	-	-
Full Cost Recovery	600	600	600
Bremner Court Vacant rooms net Void	500	-	-
Financial Flexibility inc EM Reserves	2,762	-	-
<b>NET GAP</b>	<b>0</b>	<b>(6,422)</b>	<b>(8,375)</b>

Cost pressures around prescribing, delayed discharges and locum consultant will remain a high risk. Pay awards for NHS have yet to be agreed.

### 2.3.1 Quality/ Patient Care

The report makes no reference to positive or negative impact on quality of care (and services).

### 2.3.2 Workforce

There is no indication as to workforce specifically noted within the report.

### 2.3.3 Financial

The Chief Finance Officer has provided the financial position as note above.

Accountants Name	Signature
<b>Comment from the Chief Finance Officer:</b>	

### 2.3.4 Risk Assessment/Management

Ability to continue to break-even is a corporate risk.

### 2.3.5 Equality and Diversity, including health inequalities

State how this supports the Public Sector Equality Duty, Fairer Scotland Duty, and the Board's Equalities Outcomes.

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

#### **2.3.6 Climate Emergency and Sustainability Development**

State how this report will support or impact on the Scottish Government's policy on Global Climate Emergency and Sustainability Development DL(2021)38.

The report does not make reference to Climate Emergency.

#### **2.3.7 Other impacts**

No other relevant impacts.

#### **2.3.8 Communication, involvement, engagement and consultation**

The Board has not involve nor engage with external stakeholders in relation to the report, but has been discussed with senior staff.

#### **2.3.9 Route to the Meeting**

- The report has been presented to the Integrated Corporate Management Team for discussion.

### **2.4 Recommendation**

- **Decision** – Reaching a conclusion after the consideration of options in relation to the budget for 2024/25 which is denoting a break even position and note that a break-even position is still unachievable for 2025/26 and 2026/27.

### **3 List of appendices**

No appendices.