

# CÙRAM IS SLAINTE NAN EILEAN SIAR

## INTEGRATION JOINT BOARD AUDIT & RISK COMMITTEE



Meeting date:	06 November 2024
Item:	5.2.2
Title:	2023/24 Annual Accounts- DRAFT
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:

- Legal requirement
- NHS Board/Integration Joint Board Strategy or Direction

Competence:

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

### 2 Report summary

#### 2.1 Situation

The IJB Audit Committee are asked to approve the draft annual accounts with the management commentary and annual governance statement to go forward first to the IJB on 21 November 2024 and then will be reviewed by Audit Scotland, the Board's external auditor who will sign off the annual accounts with or without an opinion thereafter.

#### 2.2 Background

Integrated Joint Boards Annual Accounts are produced under local authority finance regulations. The normal time period for finalising accounts is draft to IJB Audit and IJB is for June of any one year and finalised Accounts by end of September. Due to the cyber attack on Comhairle nan Eilen Siar in November 2023 the accounts have been delayed.

## 2.3 Assessment

The annual budget and actual expenditure for both partners is shown in the table below,

	Full Year Projection		
	Budget	Projection	Variance
	Under/(over)		
	£'000	£'000	£'000
NHS	52,499	53,424	(925)
CnES	26,386	28,235	(1,849)
<b>Total Integrated Board</b>	<b>78,885</b>	<b>81,659</b>	<b>(2,774)</b>

The IJB had an in-year overspend of £2,774 as shown above, which will be offset by transfer from general, specific and earmarked reserves.

Gross Income presented in the Annual Accounts shows a reduction of £1.177 in 2023/2024 compared to 2022/2023. This is due to an increase of monies via NHS of £1.4m, a reduction in the deferred grant relating to the Lewis Residential Care development of £1.569m and a reduction in income from CnES Residential and Independent Care Homes of £0.553m.

There is a key theme that runs through most of the variances for the Integrated Joint Board, this is the inability to recruit to both consultant, and medical posts and to the semi-skilled market i.e. Social Care Assistants.

- Psychiatric Consultants –There are no substantive consultants in the psychiatrist posts and the cost of just these two posts will contribute to an overspend in the service of £600k before any allocation of reserves. the Board has tried on numerous occasions to recruit Direct Engagement consultants or substantive posts or NHS Locums, including this financial year.
- Out of Hours, GP 2C and unscheduled care – There is a projected overspend of £398k within services but recruitment was successful for the permanent GPS in Barra which would reduce overspends, when the GPs start, early autumn, although there are still pressures in other geographical areas.
- Acute Nursing - There are continuing pressures on the Acute Nursing budget within the IJB partly due to number of delayed discharges, contingency beds open and Covid outbreaks, pressures continue there is an overspend of £397k before reserves and contingency allocated.
- Prescribing – Prescribing was overspent by £921k, partly due to above inflation increase for drugs, high levels of co- morbidity amounts the population and increase in new high cost drugs. The received increased funding from Scottish Government for the New Medicine Funds and this contingency was put towards the overspend in Prescribing for 23/24 only.
- The Home Care Service is under spent by £127k. This is mainly due to the level of vacancies within this service. The gross saving has been offset by agency staffing costs required to ensure continuity of care.
- Comhairle Residential Care is overspent by £835k. A major factor in the overspend is the transfer of £402k to fund the Lewis Residential Care capital project and works at St Brendan's care home, which will be allocated against the amount set aside in IJB Reserves in the year-end movement of balances. Staffing pressures have been partially offset by higher than budgeted income from service users.
- Independent Care Homes – underspend by £235k due to higher than anticipated income from service users/residents.

- Assessment and Care Service is underspent by £215k due to vacancies within the social work and assessment team.
- Commissioning and Partnership Services combine a variety of over and underspends against providers leaving a net underspend of £107k.
- Criminal Justice Services are underspent by £95k largely due to staffing vacancies.
- Management and Administration – overspend of £1.85m due to the balance of budgeted savings required to meet the 2023/24 budget target not being achieved.

### 2.3.1 Quality/ Patient Care

No Impacts

### 2.3.2 Workforce

No Impacts

### 2.3.3 Financial

Financial Report no further impact written by Chief Finance Officer.

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

### 2.3.4 Risk Assessment/Management

#### **SR4. Insufficient financial resources in order for the partnership to deliver is statutory obligations**

Reducing envelope of total funding received through NHSWI and CnES as a direct result of funding decisions in very challenged financial construct nationally. In addition, the forecast position regarding reserves further compounds the financial risk. The current risk is further compounded by high level locum spend in specific service lines.

Current risk score 25. Risk Appetite: Minimalist

The risk has increased from previous risk score of 20 due to financial outlook and decreasing reserves.

### 2.3.5 Equality and Diversity, including health inequalities

An impact assessment has not been completed because not required

### 2.3.6 Climate Emergency and Sustainability Development

No impact on Global Climate Emergency and Sustainability Development DL(2021)38.

### 2.3.7 Other impacts

No other impacts

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

- Doesn't require stakeholder communication – draft accounts will be published to allow comment

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

IJB Audit Committee approval is the first step in getting final approval and sign off of IJB Annual Accounts

## **2.4 Recommendation**

- **Decision** – Approve Draft Accounts for onward approval to the full IJB

## **3 List of appendices**

The following appendices are included with this report:

- Item 5.2.2.1 – Appendix 1 - Annual Accounts Narrative