

# CÙRAM IS SLÀINTE NAN EILEAN SIAR

## INTEGRATION JOINT BOARD – AUDIT COMMITTEE



Meeting date: 20 February 2025

Item: 7.1

Title: Chief Finance Officer Statement M8

Responsible Officer: Debbie Bozkurt Chief Finance Officer

Report Author: Debbie Bozkurt

### 1 Purpose

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

- Awareness

This report relates to a:

- Annual Operation Plan

Competence:

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

### 2 Report summary

#### 2.1 Situation

Month 8 2024/25 is the first monitoring that has been able to be produced due to the previous cyber attack

#### 2.2 Background

The IJB partnership accounts are taken from the relevant part of the NHS Finance delegated and the Social Care figures from Comhairle nan Eilean Siar.

#### 2.3 Assessment

The attached report reflects the spend to date and explains any recurring cost pressures and non-recurring cost pressures variances which have arisen in the first 8 months of the year which are likely to have an impact on our year end outturn.

As of 30 November 2024, the IJB is showing an in-year overspend of **£2.314m** and at year end the Board is showing a projected overspend position of **£4.060m** excluding reserves. Financial Flexibilities including unallocated NHS pay awards and Reserves held for both partners means a reported break-even position for the Integrated Joint Board by year end.

Income & Expenditure at Month 8	Year to Date			Full Year Projection		
	Budget	Actual	Variance	Budget	Actual	Variance
	£'000	£'000	under/ (over) £'000	£'000	£'000	under/ (over) £'000
<b>Expenditure</b>						
Chief Officer - Management	(2,378)	1,218	(3,596)	(197)	3,157	(3,353)
Adult Social Services	21,772	18,893	2,878	30,454	28,873	1,581
Allied Health Professionals	2,068	1,943	125	3,096	2,956	140
Community Nursing and Hospital	5,835	5,868	(33)	8,966	9,043	(77)
Community Care	1,246	1,273	(27)	1,869	1,785	84
Head of Dental Services	2,431	2,465	(34)	3,482	3,496	(14)
Head of Mental Health Services	2,457	2,767	(310)	3,757	4,270	(513)
Associate Medical Director	11,290	12,248	(958)	17,503	18,766	(1,263)
Alcohol and Drugs Partnership	597	615	(18)	715	716	(1)
Acute Set Aside	5,746	6,087	(341)	8,811	9,455	(644)
General Reserves	0	0	0	0	(4,060)	4,060
<b>Total Net Cost</b>	<b>51,064</b>	<b>53,378</b>	<b>(2,314)</b>	<b>78,456</b>	<b>78,457</b>	<b>-</b>

The biggest financial risk to Health and Social Care is the change in demographics and population. Using GP Lists in the last 17 years, there has been a large decline in the young, workforce population, women between 24-44 and an increase in the over 65 of nearly **27%**. This has resulted in a **£10m** increase in costs over and above the inflationary uplifts which can be attributed to demographic changes over the last 13 years.

There are a number of areas of which have been difficult to project year end spend, specifically around GP Prescribing, locums in General Medicine, new 2C practices and Mental Health but uncertainty around recruitment in the first 8 months results in a sizable overspend which may reduce slightly by year end. The meetings to discuss individual service pressures started at the end of September and will continue at monthly intervals.

There has been no uplift in baseline funding, and in a situation where some areas are seeing inflationary uplifts of between 5-10% on average, this is resulting in an estimated £1m + gap, specifically in Pharmaceuticals.

### 2.3.1 Quality/ Patient Care

NA

### 2.3.2 Workforce

NA

### 2.3.3 Financial

Report is a financial report and is for review so there is no other financial impact of this report

Accountants Name	Signature

Comment from the Chief Finance Officer:
NA – CFO Report

#### **2.3.4 Risk Assessment/Management**

There are a number of financial risks associated with the Board achieving financial stability over and above the pressures recognised NHS are detailed above.

#### **2.3.5 Equality and Diversity, including health inequalities**

An impact assessment has not been completed because as not a necessary action for this report.

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

N/A

#### **2.3.7 Other impacts**

None.

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

The Board has carried out its duties to involve and engage external stakeholders where appropriate:

This report is does not need to be consulted on

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

This has been previously considered by the following groups as part of its development. The groups have either supported the content, or their feedback has informed the development of the content presented in this report.

### **2.4 Recommendation**

State the action being requested. Use one of the following directions for the meeting. No other terminology should be used.

- **Awareness** – For Members' information only.

## **3 List of appendices – M8 Narrative**