



ANGUS HEALTH AND SOCIAL CARE
INTEGRATION JOINT BOARD – 23 JUNE 2021
FINANCE REPORT – 2020/21

REPORT BY ALEXANDER BERRY, CHIEF FINANCE OFFICER

ABSTRACT

This report provides an update to the Angus Integration Joint Board (IJB) regarding the financial position of Angus IJB at the end of the financial year 2020/21. It also provides an update on reserves, financial risks, governance issues and financial planning issues.

This report captures the impact of COVID-19 on the IJB's financial position.

1. RECOMMENDATIONS

It is recommended that the Integration Joint Board:-

- (i) notes the overall financial position of Angus IJB for 2020/21;
- (ii) approves the de-commissioning of up to c20 beds of the IJB's in house residential care home provision and requests the IJB's Executive Management Team to develop and progress an operational plan to deliver this change;
- (iii) notes the risks documented in the Financial Risk Assessment - Appendix 2;
- (iv) notes the update regarding Reserves - Appendix 3, including the need to develop plans to ensure reserves are mobilised effectively;
- (v) notes the issues documented in the Financial Governance - Appendix 4; and
- (vi) approves the associated Direction -Appendix 5.

2. SUMMARY

The report describes the 2020/21 year end financial position for Angus IJB, including NHS Directed Services (section 3), Angus Council Directed Services - Adult Services (section 4), the financial impact of COVID-19 (section 5) and a conclusion (section 10).

The information contained in this report is management information and therefore varies slightly from what is set out in the IJB's annual accounts which reflects reserves adjustments.

The IJB's detailed yearend financial position for 2020/21 is set out in Appendix 1. This shows the overall management position for Angus IJB for the year to March 2021 is an under spend of c£1.922m. This is after offsetting the costs of COVID-19. The position has moved to an under spend compared to the last report to the April IJB meeting which had forecasted a breakeven position. The overall change in position reflects a combination of factors including changes to the data intelligence used for projecting Key Provider Support costs, amendment of the bad debt provision previously reported and an improvement against prescribing costs.

3. NHS DIRECTED SERVICES

3.1 Local Hospital and Community Health Services

- 3.1.1 The majority of services are currently projecting under spends or near breakeven positions. This projected position makes a positive contribution to the IJB's financial position for 2020/21. Some of the unplanned underspends will be attributable to recruitment issues (e.g. difficulties in recruiting staff or delays in recruiting staff). The IJB may need to consider how it develops its workforce plan to help manage this type of circumstance.
- 3.1.2 The main exception to the above is with respect to Psychiatry of Old Age. While the planned Angus Care Model review of these services is still ongoing, services continue to experience a high level of occupancy, acuity and complexity. This has placed an increased pressure on staffing levels and this has led to the overspend for 2020/21.
- The position has been exacerbated by COVID-19 issues and this has delayed the progressing of the service review. However the impetus remains for the service to focus on further developing its review to bring activity and staffing back to planned levels with support from Angus Council Procurement critical to progressing this.
- 3.1.3 The Community Nursing budget also reported a small overspend. This is partly a consequence of COVID-19 due to the service employing additional student nurses but also reflects developments with wound management which will be addressed in next year's forthcoming financial planning.
- 3.1.4 The Centrally Managed Budget has been adjusted since the last report to the Board. Budgets of c£1m were re-aligned within the Partnership to Adult Services to partly address previous forecasted overspends.
- 3.1.5 Collectively these factors contributed to the reported under spend of c£2.080m, some of it non-recurring, against Local Hospital and Community Health Services. This underspend is consistent with the IJB's overall financial plan in that it is intended to offset overspends elsewhere (e.g. within Adult Services).

3.2 Services Hosted in Angus on Behalf of Tayside IJBs

- 3.2.1 There was an historic planning shortfall re unmet hosted services savings which was partially resolved in discussions in late 2019/20 on the back of locally Hosted Services being in an overall under spending position at the time.
- 3.2.2 However the impact of COVID-19 has been significant within Out of Hours Services with multiple additional shifts being required during the earlier phases of the regional response with some of these additional shifts continuing. Changes to the patient pathway as a direct impact to COVID-19 is currently a feature of the service model with the outcome being a services overspend in 2020/21.
- 3.2.3 Forensic Services has seen some staffing availability issues as a result of COVID-19 as well as some core operational workforce issues with, where possible, supplementary staffing being used to cover these service gaps. These results in a service overspend in 2020/21.
- 3.2.4 Due to the scale of in-year service pressures, the combined effect of the above is one of a reported year end overspend of £0.141m for the Angus share of these costs, a slight deterioration on previous projections, but still attributable to COVID-19 impacts.

3.3 Services Hosted Elsewhere on Behalf of Angus IJB

- 3.3.1 As the Board will be aware a number of devolved services are managed by other IJBs on behalf of Angus IJB. The reported year end position for these services is an

under spend of c£64k, a slight improvement on previous projections. The details are set out in the table 1 below.

Table 1

Services Hosted in Dundee and Perth IJBs on Behalf of Angus IJB	Annual Budget (£k)	Projected (Over) / Under (£k)
Angus Share of Services Hosted in Dundee		
Palliative Care	6,401	(279)
Brain Injury	1,820	(154)
Sexual & Reproductive Health	2,287	453
Psychology	5,805	460
Dietetics (Tayside)	3,663	(32)
Other Services Hosted in Dundee	2,142	89
Balance of Savings Target	(587)	(587)
Grand Total	21,531	(52)
Angus Share (27.1%)	5,835	(14)
Angus Share of Services Hosted in Perth & Kinross		
Podiatry (Tayside)	3,266	282
Prison Health Services	4,366	90
Public Dental Service	2,181	146
Other Services Hosted in Perth	42	2
Balance of Savings Target	(234)	(234)
Grand Total	9,620	286
Angus Share (27.1%)	2,607	78
Total Angus Share of Services Hosted Elsewhere	8,442	64

3.3.2 At the December 2020 IJB Board meeting, a requirement to develop proposals for the future financial management of Mental Health resources with colleagues in NHS Tayside and neighbouring IJBs was described. A treatment for the financial year 2020/21 only has been agreed with a budget and cost of £7.339m being reflected in the IJB's accounts.

In this year-end report, it is worth noting that reporting at the start of the financial year noted that financial pressures associated with in patient Mental Health Services would be managed within NHS Tayside rather than within IJBs reflecting changes in operational responsibility.

3.4 Family Health Service (FHS) Prescribing

3.4.1 COVID-19 has caused significant disruption to patterns of spend within Prescribing. Regionally, and locally, total prescribing volumes in 2020/21 remain lower compared to previous year and the financial plan, but also remain volatile with an unexpected reduction in the most recent information for January following a significant increase in December volumes. Average pricing per prescription continues to be slightly higher than financial planning expectations.

3.4.2 The final outturn position has improved from the previous April IJB report as a result of the unexpected improvement against prescribing costs as detailed above with January's changes having an impact on accruals for February and March.

3.4.3 Generally progress has been achieved by implementing both a regional prescribing work plan alongside a targeted local approach and while both approaches have been hindered by COVID-19, improvement work is increasingly being reinstated.

- 3.4.4 While the above makes comparison with local budgets difficult, the IJB can also compare its costs with Scottish averages. In financial year 2019/20 these costs were managed down to c3-5% above national average, with this trend largely continuing throughout 2020/21, though costs have been above the national average by above 6% at times. This reflects the increased COVID-19 related volatility and overall costs in 2020/21 are skewed by local COVID-19 impacts.

3.5 General Medical Services (GMS) and Family Health Services

- 3.5.1 For these services, and as previously noted, there were some additional costs regarding COVID-19 responses. These additional costs are reflected in the reported position and the IJB has been able to contain these costs.
- 3.5.2 In addition, and as noted at previous Board meetings, the IJB is exposed to overspends attributable to the Angus share of costs associated with the provision of GMS in the likes of Brechin and Abbey Medical Centre in Arbroath where NHS Tayside is directly managing GMS. This increased cost pressure will have a consequent impact on other services.
- 3.5.3 Longer term risks remain regarding the challenges re General Practitioner recruitment, the introduction of the new GMS contract and the underlying growth in Premises costs including responding to direction of travel set out in the National Code of Practice for GP Premises 2017 (report (IJB 65/20) October 2020) regarding ownership models for General Practice buildings.
- 3.5.4 The IJB should note there may be future discussion re risk sharing arrangements for Primary Care (including GMS) services with neighbouring IJBs.

3.6 Large Hospital Services

- 3.6.1 The Board will recall this is a budget that is devolved to the Partnership for Strategic Planning purposes but is operationally managed by the Acute Sector of NHS Tayside. As at 2020/21 this budget was initially quantified at £8.666m. However the budget is re-set annually to match most recent activity levels. Due to previous reductions in use of beds days, the value of this break-even budget has been re-set to £8.290m for 2020/21. It is important to note that this figure does not reflect COVID-19 activity levels or additional costs associated with COVID-19, but is the most current information available within NHS Tayside for determining a value for this resource.
- 3.6.2 As noted at the December 2020 Board meeting, the partnership is in discussions with NHS Tayside to progress an appropriate resource release from Acute Services to Angus IJB to reflect changes in Occupied Bed Days (OBD) to date which would, in turn, support the commensurate local investment in community resources. There are varying views regarding this and this will be explored further in a report to the IJB in August.

3.7 Overall Position Regarding NHS Directed Resources

- 3.7.1 Noting the impact of COVID-19, specifically around Out of Hours Services, Forensic Services and Psychiatry of Old Age the overall 2020/21 year end position was an under spend of c£2.343m. This position has reduced from the April IJB report mainly as a result of rebalancing some of the previous forecasted overspends within Adult Services. It is important to remind ourselves that looking at this figure (£2.343m) in isolation from Adult Services is not entirely meaningful and, irrespective of COVID-19 impacts, the IJB did plan for under spends on the above resources to offset Adult Services overspends, with some of this offsetting variance now being addressed between the two partners.

4. ANGUS COUNCIL DIRECTED SERVICES (ADULT SERVICES)

4.1 Adult Services

4.1.1 For financial year 2020/21 Adult Services has reported a year end outturn of an over spend of c£0.421m. This position includes the additional costs associated with COVID-19 equating to c£3.973m. The financial position at year end has significantly improved by c£2.705m compared to the projected April IJB report, with a summary of these movements detailed below.

4.1.2 As part of the year end process it was agreed that some of the budget shortfall within Adult Services would be rebalanced by transferring budget from NHS resources, a total of c£1.0m was transferred on a temporary basis to cover some of the previous projected shortfalls within Adult Services.

4.1.3 Estimates for COVID-19 Key Provider Support costs have been dependent on the data intelligence system for quantifying the costs. Previously the information available was limited to actual spend on authorised claims and did not capture outstanding claims and hence there was a high level of uncertainty in the financial forecast. The final costs have been recorded at c£4.5m which is c£1.1m lower than previous forecasts. Year end accruals were based on the latest information available against Provider applications received to date with a provision to cover claims not yet received. There was always an acknowledged scope for movement on these estimates and the Scottish Government has acknowledged this will be a feature across all IJBs.

4.1.4 As has been previously noted the IJB is continuing to work with Angus Council colleagues regarding income generation, debt management and financial projections, processes and procedures. It had been anticipated the IJB would need to increase its bad debt provision for this financial year by a further c£0.5m to mitigate the possible impact of unpaid contributions. However the year end position has resulted in a revised situation with no requirement to increase our provision as previously assumed. Further work will be progressed during 2021-22 to ensure improved debt management and financial information.

At the year end the income associated with Charging Orders increased by c£0.250m compared to previous projections. In moving forward the plan is to work with Angus Council colleagues to ensure Charging Orders are reviewed more regularly to enable more accurate forecasts. This issue was raised as a concern at the end of 2018/19, but the required improvement plan had not progressed sufficiently to improve processes in 2020/21.

4.1.5 Pressures remain within Physical Disability service after 2020/21 budget realignment was completed. A full review of the current financial position will be undertaken to align with the development of the Physical Disability Improvement Plan.

4.2 Overall Position Regarding Angus Council Directed Resources

4.2.1 Noting the impact of COVID-19, the final year end position is an over spend of c£0.421m. This position has shifted significantly from the April IJB report with the main movements due to a combination of changes to the data intelligence used for projecting Key Provider Support costs, amendment of the bad debt provision previously reported and rebalancing previous forecasted overspends within Adult Services.

5. FINANCIAL IMPACT OF COVID-19

The year end financial impact of COVID-19 was c£5.4m, a reduction from previous projections of £6.1m. This movement was as a result of the changes to the data intelligence

used for projecting our Key Provider Support costs, as detailed in paragraph 4.1.3. This contributed to the IJB being able to contain all of the COVID-19 costs against in year budgets. This was possible due to a range of factors including starting 2020/21 following a positive out-turn in 2019/20, the final COVID-19 costs ultimately being less than anticipated, in year service underspends sometimes linked to recruitment issues and our ability to redeploy resources and staffing both informally and formally. As a consequence of this the IJB did not require to utilise any of the specific Scottish Government funding allocated for COVID-19.

The main areas where COVID-19 costs incurred were as follows;

- £2.1m Key Provider Support Costs
- £1.2m Additional Staffing Costs, including General Practice and Out of Hours.
- £0.8m Loss of income recoveries
- £0.4m Additional PPE costs
- £0.3m Additional Care at Home Packages
- £0.2m Additional Prescribing Costs
- £0.4m Other costs including investment in technology and supporting Third Sector Mental Health Providers

As previously noted, the Scottish Government allocated COVID-19 funding (c£4.433m) to Angus with the expectation across Scotland that any uncommitted funds will be carried forward via a ring-fenced reserve and that that reserve be used to support the IJB's COVID-19 remobilisation plans in 2021/22.

As previously noted NHS Tayside has submitted the Remobilisation Plan to the Scottish Government, capturing the impact for Angus HSCP, which covers the period April 2021 to March 2022. The carry forward funding noted above provides good reassurance that approved costs will be supported.

The financial risks regarding COVID-19 in 2021/22 and beyond include issues such as impact on ability to deliver a full recurring savings programme, impact on income streams, uncertainty re long term prescribing issues, immediate and longer term impact on our independent sector providers as interim financial support evolves, the impact of service reconfiguration and a range of other potential medium and longer term implications. These issues are common across Scotland and continue to be part of regular discussion and reporting between all IJBs and the Scottish Government.

6. FINANCIAL PLANNING

As the Board will recall, report 4/21 "Angus IJB Strategic Financial Plan 2021/22 - 2023/24" (April IJB) approved changes in current models of service delivery with a reduction in Care Home Placements for over 65s from c740 to 700 as part of an overall response to an increases in provision of home care to over 65s by over 1400 hours per week over the last year. That report noted that the IJB should consider its position with regard to the provision of in house care home beds as the IJB's overall commissioning reduced.

Report 4/21 also requested the IJB's Strategic Planning Group to consider options for identifying funding to support further investments as described in the IJB's financial plan and including increasing Home Care services (as per report 3/21 "The Impact of Demographic Change, Older People's Services), noting that the report also highlighted the unresolved issue of identifying resources to support the IJB's prevention agenda. Since the April meeting of the IJB, the Strategic Planning Group have considered a number of options including the plans for the future provision of in house care home beds.

As background, the IJB currently provides 80 in house care home beds across three sites while the IJB has already approved the requirement to reduce our overall commissioning of beds for over 65s as noted above as service shift to home care. The SPG considered the

premium costs of delivering in these 80 house care home beds (over £1m per annum) and a range of associated factors including:-

- The future nature of the National Care Home Contract.
- The range of clients seen in in-house provision but noting potential for the independent sector to provide respite beds in future.
- Accommodation issues regarding in-house Care Homes.
- The direction of travel set out by the Independent Review of Adult Social Care in Scotland including references to the need for “a more actively managed market (which) should be shaped and facilitated to respond to a longer term strategic vision that takes into account the balance of providers in the market and local needs” and the fact that any adjustment to local in house provision is likely to support the independent sector deliver sustainable longer term services.

Taking all these factors into account, the IJB's Strategic Planning Group recommends to the IJB that the IJB de-commissions some of the current provision of in house residential care. Noting that:-

- sufficient capacity exists across the local care home market to manage this change; and
- this issue will not diminish the service available to service users within Angus and it is consistent with the Angus Care Model and strategic direction of supporting people to live at home for longer.

Further, it is recommended that the IJB requests the IJB's Executive Management Team (EMT) develop an operational plan to deliver this change. The operational plan will be implemented in line with Angus Council's "Managing Workforce Change" policy consulting with service users, carers and employees prior to any changes being made. While it may not be possible to achieve a consensus view, it should be noted that this action is in line with the IJB's strategic plan so a reasonable operationally sustainable solution is anticipated. Planning will need to consider issues such as

- The broader locality provision of residential care.
- The need to support market facilitation and the timing of changes to support the independent sector on a controlled basis.
- Financial impacts.
- Workforce opportunities to ensure the strategic retention of any displaced skilled and experienced staff with the intention of avoiding staff redundancies.

In terms of planning assumptions, it is assumed that changes of up to c20 beds of the IJB's in house residential care provision would be considered by the EMT. The financial benefit of that would be c£200k but more depending on final plans and the application of any released funding would be considered by the IJB in due course.

A “direction” to Angus Council and an Equality Impact assessment are included at appendices 5 and 6 with respect to the above.

7. FINANCIAL MANAGEMENT RISK ASSESSMENT

Angus IJB formally monitors its corporate risks through the Angus Clinical, Care and Professional Governance group. Appendix 2 sets out ongoing or emerging financial risks for the IJB in more detail than is reflected in the associated corporate risk documentation. Many of the finance risks are IJB-wide risks including future funding levels and the risks regarding future financial planning.

RISK TITLE	RISK OWNER	FEBRUARY 2020	AUGUST 2020	APRIL 2021	JUNE 2021
Financial Management/Planning	Chief Officer	16 (4;4) AMBER	20 (5;4) RED	20 (5;4) RED	20 (5;4) RED

The above financial risk assessment reflects the longer term financial issues associated with COVID-19, specifically the detrimental impact on the HSCPs progress with planned interventions.

As has been noted before, there remain a number of long term financial governance issues. The IJB Audit Committee is monitoring these but progress over a number of years has been limited. A summary of the main issues is set out in appendix 4.

8. DIRECTIONS

The Integration Joint Board requires a mechanism to action its strategic commissioning plans and this is provided for in Section 26 to 28 of the Public Bodies (Joint Working) (Scotland) Act 2014. This mechanism takes the form of binding directions from the Integration Joint Board to one or both of Angus Council and NHS Tayside. The table below reflects the nature of the recommendations in this report.

Direction Required to Angus Council, NHS Tayside or Both	Direction to:	
	No Direction Required	
	Angus Council	X
	NHS Tayside	
	Angus Council and NHS Tayside	

9. EQUALITIES IMPACT ASSESSMENT

Due to the content of this report, an Equalities Impact Assessment is not required.

10. CONCLUSION

From the above and attached appendices it can be seen that the IJB has reported a management position of a year-end under spend of £1.922m, as shown in Appendix 1. This change from April IJB reports is largely attributed to changes to the data intelligence used for projecting Key Provider Support costs, amendment of the bad debt provision previously reported and an improvement against prescribing costs. This position is also after absorbing all the costs associated with COVID-19 due to a variety of factors, concluding our under spend in 2019/20 with position continuing, costs less than anticipated, our ability to redeploy informally and formally and recruitment difficulties.

For information, while the IJB's management reporting describes a year end under spend of c£1.922m, the IJBs financial accounts will reflect an under spend of c£8.893. This difference reflects the flow of funds in and out of the IJB's reserves, including the creation of the new COVID-19 fund (£4.433m) and other issues described in Appendix 3.

As the IJB is reporting a year end under spend so the impact of the IJB's financial position for both Angus Council and NHS Tayside is neutral. Per the Integration Scheme, the IJB does initially retain any reported year end under spend within IJB reserves. The IJB's reserves are described in more detail in Appendix 3.

Clarity regarding detailed funding arrangements to manage the ongoing financial impact of COVID-19, is still awaited with the carry forward funding noted above providing early reassurance that approved costs will be supported by the Government.

Aside from the over-riding impact of COVID-19, there remain underlying inflationary and demographic pressures and offsetting variances between services. Slippage in progress with delivery of savings from planned interventions is also an increased risk and this will have an effect on longer term plans.

The overall financial position of the IJB does have a material impact on the way Angus IJB provides services in the future. By making ongoing progress with delivering efficiencies alongside service redesign and modernisation, the IJB will be most able to deliver the services it requires to deliver to the local population on a sustainable basis.

In future years should the IJB report a year end overspend then, in the first instance IJB reserves will require to be used to address any over spend. Beyond that there could be an impact on the IJB's Partners. The use of significant IJB reserves will only provide short term relief and when a recurring shortfall emerges the IJB will require a series of financial planning responses beyond those already in progress.

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List of Appendices:

Appendix 1: Angus Health and Social Care Partnership Financial Monitoring Report 2020/21
Appendix 2: Angus Health and Social Care Partnership Financial Risk Assessment 2020/21
Appendix 3: IJB Reserves 2020/21
Appendix 4: Financial Governance
Appendix 5: Direction to Angus Council
Appendix 6: Equality Impact Assessment (as per section 6 of this report).

APPENDIX 1

Angus Health & Social Care Partnership - Financial Monitoring Report 2020-21

	Adult Services		Angus NHS Directed Services		HSCP	
	Annual Budget	Projected (Over) / Under	Annual Budget	Projected (Over) / Under	Annual Budget	Projected (Over) / Under
	£k	£k	£k	£k	£k	£k
Local Hospital and Community Health Services						
Older Peoples Services						
Psychiatry Of Old Age			5,358	(75)	5,358	(75)
Medicine For The Elderly			6,391	306	6,391	306
Minor Injuries + Illness Units			1,905	259	1,905	259
Community Nursing			4,690	(12)	4,690	(12)
Enhanced Community Support			1,263	94	1,263	94
Management & Admin	1,072	(84)			1,072	(84)
Care at Home	4,751	241			4,751	241
Intermediate Care	389	(2)			389	(2)
Community Support	753	1			753	1
Supported Accommodation	494	39			494	39
Internal Residential	5,154	164			5,154	164
Care and Assessment	23,764	(2,862)			23,764	(2,862)
Community Mental Health	1,436	32			1,436	32
Older Peoples Service	37,813	(2,472)	19,607	571	57,420	(1,900)
General Adult Psychiatry	3,552	172	2,934	7	6,486	178
Admin Community Support	2,666	102			2,666	102
Non Residential Care	6,627	(436)			6,627	(436)
Residential Care	5,520	279			5,520	279
Learning Disability(Angus)			600	18	600	18
Learning Disability	14,813	(55)	600	18	15,413	(37)
Physical Disabilities	3,533	(704)			3,533	(704)
Substance Misuse	1,225	142	1,037	85	2,261	227
Community Services						
Physiotherapy			2,141	93	2,141	93
Occupational Therapy	1,413	228	664	182	2,078	411
Joint Store	690	(72)			690	(72)
Anti-Coagulation			252	49	252	49
Primary Care			790	26	790	26
Carers	519	0			519	0
Homelessness	841	4			841	4
Other Community Services			1,847	86	1,847	86
Community Services	3,463	160	5,695	436	9,159	596
Planning / Management Support						
Centrally Managed Budget	4,144	2,524	6,326	866	10,470	3,390
Partnership Funding			0	0	0	0
Ijb Management	1,893	(187)	1,460	96	3,353	(92)
Planning / Management Support	6,037	2,337	7,786	961	13,823	3,298
Local Hospital and Community Health Services			37,659	2,080		
Services Hosted in Angus on Behalf of Tayside IJBs						
Forensic Service			1,033	(267)	1,033	(267)
Out of Hours			8,167	(362)	8,167	(362)
Speech Therapy (Tayside)			1,225	108	1,225	108
Locality Pharmacy			2,759	(0)	2,759	(0)
Tayside Continence Service			1,515	29	1,515	29
Hosted Services Centrally Managed Budget			17	(31)	17	(31)
Hosted Services Recharges to Other IJBs			(10,728)	380	(10,728)	380
Services Hosted in Angus on Behalf of Tayside IJBs	0	0	3,988	(141)	3,988	(141)
Services Hosted Elsewhere on Behalf of Angus IJB			8,442	64	8,442	64
GP Prescribing			21,177	147	21,177	147
Other FHS Prescribing			362	183	362	183
General Medical Services			19,217	(51)	19,217	(51)
Family Health Services			15,255	63	15,255	63
In Patient Mental Health Services			7,339	0	7,339	0
Large Hospital Set Aside			8,290	0	8,290	0
Grand Total	70,437	(421)	121,729	2,343	192,166	1,922

APPENDIX 2 – ANGUS HEALTH AND SOCIAL CARE PARTNERSHIP FINANCIAL RISK REGISTER

Risks – Revenue	Risk Assessment		Risk Management/Comment
	Likelihood	Impact (£k)	
Current Financial Performance			
Data Quality	Medium	N/A	These issues continue to have potential to undermine reporting/planning. Subject of an Internal Audit report in 2019/20.
Income Arrangements / Levels	Medium	c£0.2m (recurring)	The IJB is working with Angus Council to develop an Income recovery /improvement plan which has been reinstated following a delay due to COVID-19.
Funding Assumptions			
Unresolved 2020/21 budget with NHS Tayside (e.g. Complex Care, Large Hospital Set Aside)	Medium	c£500k (recurring)	Complex Care – At the conclusion of the 5 th year of integration this remains unresolved with increased scope for loss of audit trail and incremental, unfunded costs shifting to the IJB. Large Hospital Set Aside – The partnership is in discussions with NHS Tayside re appropriate resource release. However this has been affected by COVID-19 and the lack of progress undermines the IJB's ability to fully direct resources within the Strategic Plan. Noting that most recent information does suggest Angus has reduced its use of Acute Services since the inception of integration.
Medium Term Financial Planning – Lack of funding clarity.	Medium	Not known	The IJB will, through national networks, work with the Scottish Government to develop this planning.
Funding formula may be subject to reviews at local, regional or national level.	Low	Not known (Future Years)	The level of funding Angus IJB receives from Partners could be subject to review.
Cost Pressures			
COVID-19 – single biggest future year risk with uncertainty re the financial impact on longer term cost base.	High (Future years)	TBC (Future Years)	Continue to document actual and projected costs and ongoing dialogue at national level re funding clarifications and potential impact on reserves.
Prescribing – Local costs per weighted patient remain above national averages.	Medium	c£0.5m (recurring)	6 monthly report to IJB and liaison with regional Prescribing Management Group.
Reviews of Safe Staffing issues re Health and Care (Staffing) (Scotland) Act and review of healthcare tasks in community setting.	Medium	Not known	Issues remain under consideration. Potential longer term risk.
Workforce and recruitment issues may have a knock on effect on IJB costs beyond service delivery issues.	Medium	c£300k + (recurring)	The IJB faces a number of workforce issues (e.g. General Practice, Independent Sector) and through workforce planning needs to liaise with all interested parties to mitigate these risks.
Demographic Pressures – e.g. in Older People Services reflecting population changes This may be partially attributable to the Carers Act.	High	c£1.0m+ (recurring)	Subject to a separate report to the April IJB.
Adult Care Services likely to see inflation pressures beyond 2020/21 re the National Care Home Contract.	Medium	c£0.6m (recurring)	The IJB will work at a local/national level to manage these pressures. Where necessary mitigating action may be required. Estimates of these costs are allowed for in financial plans and may be partially offset by increased Scottish Government funding.
Brexit related financial Impacts – A range of IJB costs could be affected in various Brexit scenarios.	Low	Not known	This could include shorter-term increased supplies/drug related costs, longer-term issues due to recruitment or other issues that could result from any potential instability. The effect would now be in 2021/22.
Primary Care Improvement Plan (note short term resources in place until c 2022/23)	Medium (from 2023/24)	Not known	Subject of an updated report to a future 2021 IJB. This issue is being considered regionally and is understood to be replicated across Scotland.
Planned Interventions			
Some IJB savings programmes behind schedule from 2019/20 due to COVID-19. Reviews may be required.	High	Up to £1.0m (recurring)	There has been some work on planned interventions; however delays have been experienced due to COVID-19 with the scale of risks becoming clearer in our financial plan.
Management Capacity / Programme Management and Project Support Recruitment issues	High	Included above.	COVID-19 continues to divert management capacity which has exacerbated existing delays.
Other			
Review of Integration Scheme	Medium	Not known	A comprehensive review of the Scheme may identify additional risks and opportunities.
Corporate Support (Inc. Finance, Procurement, Property, Legal)	Medium	Not known	Some progress made, CFO continues to work with Partners to develop finance support. Current risks include Procurement, Property and Legal. These have

Risks – Revenue	Risk Assessment		Risk Management/Comment
	Likelihood	Impact (£k)	
			a detrimental impact on the IJB's ability to deliver a balanced financial plan.
Implementation of the Carers Act	Medium	TBC	Subject to a separate report to the February IJB but proposals not yet concluded. Detailed breakdown of resources plan for Carers Act still outstanding.

APPENDIX 3 – IJB RESERVES

The IJB's Reserves Policy sets out that the IJB may hold both "ear-marked" reserves and general reserves. Ear-marked reserves will generally be for specific projects or issues, ear-marked due to specific constraints or ear-marked due to funding factors. General reserves are intended to assist the IJB manage its overall resources over the longer term.

Reflecting the IJB's reported financial accounting position, the table below shows a big increase in year-end reserves. The primary factors includes:-

1. As previously noted, the Scottish Government allocated COVID-19 funding to Angus with the expectation that any uncommitted funds will be carried forward via reserves. As the IJB has been able to largely contain COVID-19 net financial impact, so this COVID-19 funding (£4.433m) creates a new ear-marked reserve.
2. Increases in ear-marked reserves largely due to anticipated changes in Scottish Government funding arrangements. As noted previously, the Scottish Government allocated a range of funds, previously held at Scottish Government level of on our behalf, directly to the IJB. This has inflated a number of reserves including Primary Care Improvement Plan, Alcohol and Drug Partnership and Mental Health (Action 15) by a total of c £2m. Some of these reserves will have seen slower spend in 2020/21 due to COVID-19.
3. New Scottish Government funded reserves have been created in-year with limited spend. This includes District Nursing, Alcohol and Drugs Partnership / Drug Deaths and a new Community Living Change Fund – with an overall creation of new reserves of c£0.5m.
4. As the IJB has ultimately reported a "management" accounting under spend of £1.922m, so this also increases reserves.

The increases seen above are already known to be a feature across all IJBs. The current expectation is that the Angus share of all-Scotland IJB reserves will, despite the local increase, be much smaller at March 2021 than the year before.

General Reserves: In April 2020 the IJB agreed to set a general reserves target (contingency) of 2.5% of turnover or c£4.5m and since March 2020 this has been in place. At any time the IJB may require to commit this reserve to address developing situations and should the IJB overspend in a financial year then the IJB's uncommitted general reserves would be required to offset any in year overspend. This would only provide short term relief to ongoing financial pressures. At the year end, and as agreed previously, the IJB is able to revise its "contingency" reserve up by £0.250m to reflect increased turnover giving a year end reserve of £4.750m.

Ear-marked Reserves: The IJB's ear-marked reserves are listed in the table below and changes described above. Evolving financial plans exists for each reserve but for many of these reserves the IJB will require to develop strong plans to ensure this funding is mobilised effectively in a way that meets Scottish Government criteria, is sustainable and delivers good value for money.

The IJB also retains some locally derived ear-marked reserves as follows:-

Strategic Plan Reserve – Opening value at 1 April 2020- £1.371m, but increased during the year. This resource is managed over the duration of the Strategic Financial Plan (now to March 2024) and was reviewed by the Strategic Planning Group at its February 2021 meeting. Spend in 2020/21 has been lower than planned due to COVID -19 but also as some commitments were contained within core budgets.

Financial Planning Reserve 2020/21 – Now £1.751m. In April 2020 the IJB agreed to create this reserve with a view to a series of options that could include reverting funds to Partners or potentially ear-marking funds for other purposes. Discussions have progressed within the IJB's Executive Management Team and are ongoing with Partners regarding future plans for these resources.

Financial Planning Reserve 2021/22 (new) – £1.672m. As previously agreed, the IJB's "management accounting" variance (after increases in the contingency reserve) will be placed in this new reserve. The application of these funds will be considered in due course.

The table below shows the reported year end position regarding reserves. This will be reported in the IJB's Annual Accounts. The table below reflects the changes noted above.

Angus IJB Reserves	Opening Balance 1 April 2020	Realignment of Reserves	Revised Reserves at October 2020	Forecast Change in Year	Forecast Closing Balance 31 March 2021
	£k	£k	£k	£k	£k
General Fund Balance (Usable Reserve) - General Reserve	4,500	0	4,500	250	4,750
General Fund Balance (Ear-Marked Reserves)(Local)					
Strategic Plan Reserve	1,371	500	1,871	-21	1,850
Financial Planning Reserve 2020/21	2,251	(500)	1,751		1,751
Financial Planning Reserve 2021/22	n/a	n/a	n/a	1,672	1,673
	3,622	0	3,622	1,651	5,274
General Fund Balance (Ear-Marked Reserves)(Scottish Government Funding)					
GMS Contract - Primary Care Improvement Plan	4	0	4	1,662	1,666
Mental Health - Action 15 Funding	151	0	151	180	331
Primary Care Transformation	95	0	95	100	195
Primary Care - Recruitment & Retention	38	0	38	-38	0
Primary Care Premises	30	0	30	72	102
Scottish Government - Alcohol and Drug Partnership	6	0	6	57	63
Scottish Government - Forensic Developments	47	0	47	-14	33
Scottish Government - Drug Death task Force	n/a	n/a	n/a	101	101
Scottish Government - District Nursing Workforce	n/a	n/a	n/a	47	47
Scottish Government - Community Living Change	n/a	n/a	n/a	392	392
Scottish Government - COVID-19	n/a	n/a	n/a	4,433	4,433
	371	0	371	6,992	7,362
Total General Fund Balance (Ear-Marked Reserves)	3,993	0	3,993	8,643	12,636
Total General Fund Balance	8,493	0	8,493	8,893	17,386

APPENDIX 4 – FINANCIAL GOVERNANCE

With respect to governance issues, the December 2019 Audit Committee noted a number of long-standing issues that remain unresolved and it was agreed it would be helpful to highlight these to the main Board. The issues and some commentary are as follows:-

Issue	Status / Background to Status	Implications of Status	Action Required	Commentary
Development of Large hospital Set Aside arrangements in conjunction with NHS Tayside	See separate IJB report – A complicated concept that requires resolution between NHS Tayside and all local IJBs. Coordinated management resource is required to resolve this and that has been challenging over the last 4 years.	The lack of progress undermines the IJB's ability to fully direct resources within the IJB's Strategic Plan. Noting that most recent information does suggest Angus has reduced its use of Acute Services since the inception of integration.	CO/CFO - An improved dialogue between NHS Tayside and local IJBs, which itself requires all parties to be able to dedicate coordinated resource to progress this.	Subject to a separate report to IJB in future IJB. The Partnership is in discussions with NHS Tayside on this issue including work through Planned Care and Unscheduled care boards. However this has been affected by COVID-19.
Development of improved Hosted Services arrangements in conjunction with neighbouring IJBs	Limited progress – This requires proportionate improved coordination between all 3 IJBs. This is planned to be the first area where local improvement will be taken forward once capacity allows for it, planned coming months.	The lack of progress undermines the IJB's ability to fully direct resources within the IJB's Strategic Plan.	CO/CFO - Ideally a comprehensive response to be considered as part of a review of the Integration Scheme.	Locally the IJB plans to improve the information shared with local IJBs regarding services hosted locally. Work has commenced in developing shared information with neighbouring IJBs and an update provided to the Audit Committee.
Review Corporate Support arrangements with Partners.	Not started yet - This requires resolution between the IJB and its partners. Coordinated management resource is required to resolve this and that has been challenging over the last 4 years.	Shortcomings within corporate support have been a regular feature of risks identified within the IJB. These shortcomings undermine the ability to the IJB to deliver its Strategic Plan and a balanced long term financial position.	CO - Ideally a comprehensive response to be considered with both partners simultaneously as part of a review of the Integration Scheme.	It is now being assumed this work will be progressed in 2021/22 reflecting imperatives of dealing with COVID-19 related issues.
Review IJB's overall governance framework	Limited progress - This requires resolution between the IJB and its partners.	On a practical basis Angus IJB has made significant progress since its inception. However the lack of governance clarity does cause strategic and operational planning issues at times.	CO/Board - Ideally a comprehensive response to be considered as part of a review of the Integration Scheme.	A well-understood review of the Integration Scheme is key to addressing this issue with both partners. Local resources are now in place to commence review of the integration scheme.
Finance Support Structure	Limited progress – Improvements made with respect to NHS Tayside but risks remain with respect to Angus Council. Discussions with Angus Council have been continuing in November 2020 around options for improvement.	Potential impact on overall financial management capability of the IJB including financial reporting, financial management (including support provided to Service Managers and improvement programmes/savings delivery and supporting the COVID-19 response), financial planning and financial governance.	Board – To note issue and support opportunities for improvement. CFO – To continue discussion with Angus Council to support improvement.	While this is a long-standing issue, discussions remain ongoing with Angus Council as to how improvements can be taken forward. Recent budget approvals within Angus Council maybe support a resolution.

These issues continue to be monitored by the IJB's Audit Committee. Many are complex, require joint working with Partners and the IJB's ability to progress matters can be affected by capacity constraints. As noted above, at times in 2020/21, progress on some outstanding governance improvements has been inhibited by the pressures of dealing with COVID-19. Separately, the IJB has undertaken some work its Internal Auditors to review governance arrangements in the context of COVID-19 responses.



AGENDA ITEM No. 5

REPORT NO IJB 16/21

DIRECTION No. 1/21

INTEGRATION JOINT BOARD

DIRECTION

ISSUED UNDER S26-28 OF THE PUBLIC BODIES (JOINT WORKING) (SCOTLAND) ACT 2014

ANGUS COUNCIL is hereby directed to deliver for the Angus Integration Joint Board, the services noted below in pursuance of the functions noted below and within the associated budget noted below.

Services will be provided in line with the Angus Integration Joint Board's Strategic Plan and existing operational arrangements pending future directions from the Angus Integration Joint Board.

RELATED REPORT No: (IJB REPORT No 16/21)

APPROVAL FROM IJB RECEIVED ON: 23 June 2021

DESCRIPTION OF SERVICES / FUNCTIONS:

Progressing the de-commissioning of some of the Angus Council in house residential care home provision in line with an operational plan to be developed by Angus HSCP Executive Management Team in consultation with relevant / affected Angus Council Departments.

REFERENCE TO THE INTGRATION SCHEME: Annex 2 Part 1

Section 59 Social Work (Scotland) Act 1968

LINK TO STRATEGIC PRIORITIES:

This action is related to the priority 'Improving health, wellbeing and independence' and "Supporting Care Needs at Home" set out in the Angus HSCP Strategic Plan 2019-22.

TIMESCALES FOR DELIVERY

Start date: June 2021

End date: To change completion

Resources Allocated:

Resources are currently embedded within existing care home provision.

Details of funding source:

Funding is within annual budget settlement with Angus Council.



EQUALITY IMPACT ASSESSMENT BACKGROUND

Date of Assessment: June 2021	IJB Report Number: 16/21
Title of document being assessed:	
<ul style="list-style-type: none"> This is a new policy, procedure, strategy or practice being assessed. (If Yes please check box) <input type="checkbox"/> <p>This is a new budget savings proposal (If Yes please check box) <input checked="" type="checkbox"/></p>	<ul style="list-style-type: none"> This is an existing policy, procedure, strategy or practice being assessed? (If Yes please check box) <input checked="" type="checkbox"/> This is an existing budget savings proposal being reviewed? (If Yes please check box) <input type="checkbox"/>
<ul style="list-style-type: none"> Please give details of the Lead Officer and the group responsible for considering the Equality Impact Assessment (EQIA) 	Alexander Berry, Chief Finance Officer. Angus Executive Management Team
<ul style="list-style-type: none"> Please give a brief description of the policy, procedure, strategy or practice being assessed, including its aims and objectives, actions and processes. 	To review the provision of in house residential care as commissioned by Angus IJB. Angus IJB currently provides 80 in house residential care beds as part of the overall provision of residential care beds in Angus.
<ul style="list-style-type: none"> What are the intended outcomes of this policy, procedure, strategy or practice and who are the intended beneficiaries? 	The intention is to de-commission some of the current in-house residential care proviso to support the delivery of overall plans within Angus.
<ul style="list-style-type: none"> Has any local consultation, improvement or research with protected characteristic communities informed the policy, procedure, strategy or practice being EQIA assessed here? <p>If Yes, please give details.</p>	No. The IJB are recommending that the IJB's EMT develop an operational plan to progress this proposal. The detailed operational plan then developed may need to consider more detailed EIA issues regarding smaller numbers of service users as plans develop.

EQUALITY IMPACT ASSESSMENT (EQIA) - RELEVANCE SCREENING

1. Has the proposal already been assessed via an EQIA process for its impact on ALL of the protected characteristics of: age; disability; gender; gender re-assignment; pregnancy/maternity; marriage and civil partnership; race; religion and belief; and sexual orientation?

YES-

Unless there have been significant changes, no further action is required. Please add your name, position and date below at 2.

Please note that it is a legal requirement that any EQIA is made publicly available.

NO

Please answer the 1a and 1b questions below.

1 a. Does the proposal have a potential to impact in ANY way on the public and/or service users holding any of the protected characteristics of age; disability; gender; gender re-assignment; pregnancy/maternity; marriage and civil partnership; race; religion and belief; and sexual orientation? This applies to service users of not only NHS Tayside and Angus Council, but also the 3rd sector.

Yes - Proceed to the Full Equality Impact Assessment (EQIA).

No - please state why not (specify which evidence was considered and what it says)?

1 b. Does the proposal have a potential to impact in ANY way on employees holding any of the protected characteristics of age; disability; gender; gender re-assignment; pregnancy/maternity; marriage and civil partnership; race; religion and belief; and sexual orientation? This applies to employees of not only NHS Tayside and Angus Council, but also the 3rd sector.

Yes - Proceed to the Full Equality Impact Assessment (EQIA).

No - please state why not (specify which evidence was considered and what it says)?

2. Name: Alexander Berry

Position: Angus IJB Chief Finance Officer

Date: June 2021



FULL EQUALITY IMPACT ASSESSMENT (EQIA)

Step 1.

Is there any reason to believe the proposal could affect people differently due to their protected characteristic? Using evidence (e.g. statistics, literature, consultation results, etc.), justify whether yes or no. If yes, specify whether impact is likely to be positive or negative and what actions will be taken to mitigate against the undesired impact of a negative discrimination. When considering impact, please consider impact on: health related behaviour; social environment; physical environment; and access to & quality of services of NHST, Angus Council or 3rd sector social justice.

1a. The public and/or service users holding the Protected Characteristics:

	POSITIVE IMPACT	NEGATIVE IMPACT	Intended mitigating actions against the b) Negative Discrimination
	a)Positive Action	b)Negative discrimination	
AGE	X		See comments below.
GENDER			
DISABILITY	X		See comments below.
ETHNICITY/RACE			
SEXUAL ORIENTATION			
RELIGION/BELIEF			
GENDER REASSINGMENT			
PREGNANCY/MATERNITY			
OTHER: CARERS OF OLDER AND/OR DISABLED PEOPLE (Although carers are not considered as a PC in itself, they are protected by the Equality Act 2010 from “discrimination by association” with the PCs of age and disability)	X		See comments below.

This proposal is intended to be consistent with the IJBs overall plans regarding the provision of Home care and Care Homes and in particular it will help assist the IJB deliver its overall plan to increase Home Care provision for the whole Older People population in future years, reflecting the views generally expressed through engagement and as captured in the IJB’s Strategic Commissioning Plan. The detailed operational plan developed by the IJB’s Executive Management Team may need to consider more detailed EIA issues regarding smaller numbers of service users as plans develop.

1b. The employees holding the Protected Characteristics:

No known impact.

	POSITIVE IMPACT	NEGATIVE IMPACT	Intended mitigating actions against the b) Negative Discrimination
	a)Positive Action	b)Negative discrimination	
AGE			
GENDER		X	Plans to consider opportunities to ensure the strategic retention of any displaced skilled and experienced staff, including following Council processes and exploring alternatives to redundancy, with the intention of avoiding staff redundancies.
DISABILITY			
ETHNICITY/ RACE			
SEXUAL ORIENTATION			
RELIGION/ BELIEF			
GENDER REASSIGNMENT			
MARRIAGE/CIVIL PARTNERSHIP			
PREGNANCY/ MATERNITY			
OTHER: CARERS OF OLDER AND/OR DISABLED PEOPLE (Although carers are not considered as a PC in itself, they are protected by the Equality Act 2010 from "discrimination by association" with the PCs of age and disability)			

1c. Does the proposal promote good relations between any of the Protected Characteristics?

YES

NO x

NOT SURE

Specify further (e.g. between which of the PCs, and in what way, or why not or not sure)

1d. What steps will you take to collect the Equality Monitoring information needed to monitor impact of this proposal on PCs, and when will you do this?

It is generally assumed that there will be no negative impact on Older People generally. The IJB will continue to routinely monitor care home and home care provision against commissioning plans.

Step 2 : Publish The Equality Impact Assessment.

Where will the Equality Impact Assessment (EQIA) be published?

Along with IJB report on the Angus Council website with links provided on the Angus HSCP website.

CONTACT INFORMATION

Name of Department or Partnership:	Angus HSCP
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Type of Document	
Human Resource Policy	<input type="checkbox"/>
General Policy	<input type="checkbox"/>
Strategy/Service	x <input checked="" type="checkbox"/>
Change Papers/Local Procedure	<input type="checkbox"/>
Guidelines and Protocols	<input type="checkbox"/>
Other (please specify):	<input type="checkbox"/>

Manager Responsible	Author Responsible
Name: George Bowie	Name: Alexander Berry
Designation: Head of Service	Designation: Chief Finance Officer
Base: Angus House	Base: Angus House
Telephone: 01307 491806	Telephone: 01307 491746
Email: tay.angushscp@nhs.scot	Email: tay.angushscp@nhs.scot

Signature of author of the policy: V Davidson (Strategic Commissioning Plan)	
Date: April 2019	
Signature of Director/Head of Service : Gail Smith	Date: June 2021
Name of Director/Head of Service: George Bowie	
Date of Next Policy Review: The Strategic Commissioning Plan will be reviewed by March 2023. This proposal will only be monitored for the year after its implementation.	