



ANGUS HEALTH AND SOCIAL CARE

INTEGRATION JOINT BOARD – 8 DECEMBER 2021

FINANCE REPORT – 2021/22

REPORT BY ALEXANDER BERRY, CHIEF FINANCE OFFICER

ABSTRACT

The purpose of this report is to provide Angus Integration Joint Board (IJB) with an update on the financial position of Angus IJB including financial projections for 2021/22, the impact of COVID-19 on the IJB's financial position, an update on reserves, financial planning and financial risks.

1. RECOMMENDATIONS

It is recommended that the Integration Joint Board:-

- (i) Notes the overall projected financial position of Angus IJB for 2021/22;
- (ii) Notes the risk documented in the Financial Risk Assessment (Appendix 2);
- (iii) Notes the update regarding Reserves (Appendix 3), including the need to develop plans to ensure reserves are mobilised effectively; and
- (iv) Notes the issues documented in the Financial Governance (Appendix 4).

2. BACKGROUND

The report describes the most recent financial monitoring and projection information for Angus IJB for financial year 2021/22, based on information to the end of October 2021, including NHS Directed Services, Angus Council Directed Services, the financial impact of COVID-19, reserves and financial risk.

Information contained within this report reflects estimates for the whole of 2021/22 and consequently, given the stage in the financial year, further reviews of projections will be undertaken which may lead to future adjustments in information.

The IJB's detailed projected financial position for 2021/22 is set out in Appendix 1. This shows that the overall projected financial position for Angus IJB for the year to March 2022 is an under spend of c£1.165m. This is after allowing for the costs of COVID-19.

3. CURRENT POSITION

NHS Directed Services

- 3.1 Large Hospital and Community Health Services** – Continue to reflect good progress made in both this year and previously with the majority of services projecting under spends or breakeven positions. However this is higher than expected at this stage with some of this relating to unfilled vacancies linked to ongoing recruitment issues. This projected position makes a positive contribution to the IJB's financial position for 2021/22 and potentially for future years.

The main exception to the above is with respect to Psychiatry of Old Age. Whilst the planned Angus Care Model review of these services is ongoing, services continue to see an increased

level of occupancy, acuity and complexity. This in turn has placed increased pressure on staffing levels.

- 3.2 Services Hosted in Angus on Behalf of Tayside IJBs** - The impact on COVID-19 continues to be significant within Out of Hours Services with changes to the patient pathway as a direct consequence of COVID-19 continuing to be embedded in the service model with the outcome being a projected service overspend in 2021/22. The service is reviewing the future model of care and associated workforce requirements and this information will be shared with other Tayside IJBs.

Forensic Services continue to have core operational workforce issues with supplementary staffing being used to cover these service gaps to ensure the workforce is safe. The outcome of which is a projected overspend in 2021/22 of c£0.235m.

As a result of in year service pressures, the combined effect of the above is one of a reported year end overspend of c£0.178m, for the Angus share of these costs.

- 3.3 Services Hosted Elsewhere on Behalf of Angus IJB** – As the IJB will be aware a number of devolved services are managed by other IJBs on behalf of Angus IJB. The projected year end position for these services is an under spend of c£0.021m, as detailed in Table 1 below.

The impact of the COVID-19 remobilisation plan is contributing to increased pressures against Prison Health and Palliative Care Services, along with unresolved saving targets with these overspends mainly allowed for by a range of service under spends.

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	6,523	(160)
Brain Injury	1,857	45
Sexual & Reproductive Health	2,331	275
Psychology	5,471	200
Dietetics (Tayside)	3,215	33
Other Services Hosted in Dundee	2,066	182
Balance of Savings Target	(587)	(587)
Grand Total	20,876	(12)
Angus Share (27.1%)	5,657	(3)
Angus Share of Services Hosted in Perth & Kinross		
Podiatry (Tayside)	3,304	219
Prison Health Services	4,069	(10)
Public Dental Service	2,555	188
Other Services Hosted in Perth	118	0
Balance of Savings Target	(306)	(306)
Grand Total	9,739	91
Angus Share (27.1%)	2,639	25
Total Angus Share of Services Hosted Elsewhere	8,297	21

- 3.4 Family Health Services (FHS) Prescribing** - COVID-19 has caused significant disruption to patterns of spend within Prescribing Regionally. Prescribing data available to August 2021 shows higher volumes compared with both the previous year and volume growth planning assumptions allowed for in the financial plan. The most recent weighted average price per prescription is slightly lower than financial planning expectations.

The year end projection reflects actual prescribing information for April to August and remains close to the forecast variance per the financial plan with 5 months of actual Prescribing Data available.

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.

While the above makes comparison with local budgets difficult, the IJB can also compare its costs with Scottish averages. In financial year 2020/21 costs per weighted patient were within 5% of the national average. In 2021/22, costs are running over 5% above the national average. While this may be a temporary phenomenon, the local Prescribing Management Group is reviewing arrangements to ensure they are best aligned to support appropriate, safe, clinically effective and cost effective local prescribing.

- 3.5 General Medical Services (GMS) and Family Health Services** - For these services, there continues to be some additional costs regarding COVID-19 responses. These additional costs are reflected in the reported position.

In addition, and as noted at previous meetings, the IJB is exposed to overspend 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.

Longer term risks remain regarding the challenges re General Practitioner recruitment, the introduction of the new GMS contract (report IJB 19/21) 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) regarding ownership models for General Practice buildings.

As previously noted there may be future discussion re risk sharing arrangements for Primary Care (including GMS) services with neighbouring IJBs.

- 3.6 In Patient Mental Health Services** - As the IJB is aware Inpatient Mental Health Services are now managed by NHS Tayside reflecting a change in operational responsibility. However these resources do remain formally devolved to the IJB for Strategic Planning purposes and will be reported into the Partnership financial position.

As noted previously, while an agreement was in place with NHS Tayside regarding financial management of these resources for 2020/21, this agreement may need revisited in 2021/22 and that may expose the IJB to different financial risks to those it was exposed to in 2020/21. It may also expose the IJB to risks beyond those previously captured in the IJB's Strategic Financial Plan. As part of developing the next iteration of the IJB's Strategic Financial Plan, we will seek to clarify these risks for the IJB's Executive Management Team and for Board members and are in dialogue with NHS Tayside to enable us to do this.

An update on Mental Health and Wellbeing provision in Angus is subject to a separate report (xx/21) to the December 2021 IJB meeting.

- 3.7 Large Hospital Services** - As at April 2021 this budget has been re-set at £8.290m due to a previous reduction in use of bed days.

At the June 2021 IJB meeting an update on the progress made around a clinically led approach to the development of whole system pathway/Large Hospital Set Aside was described in report 17/21 and supported by the IJB.

- 3.8 Overall Position Regarding NHS Directed Services** - The overall reported projected 2021/22 position based on information suggests a non recurring under spend of c£1.320m, before adjusting for the costs of COVID-19. It is important to remind ourselves that looking at this figure in isolation from Angus Council Adult Services is not entirely meaningful and the IJB did plan for under spends on the above resources to offset Angus Council Adult Services overspends.

- 3.9 Angus Council Directed Services (Adult Services)** - For financial year 2021/22 Adult Services is projecting a year end over spend of c£2.582m, before adjusting for COVID-19 costs. This projection includes c£2.254m of COVID-19 costs, based on the latest local assessment of COVID costs. Therefore Adult Services would be forecasting a recurring over spend of c£0.328m when COVID-19 costs are removed.

As has been noted previously demographics continues to be the largest pressure on resources. During the COVID-19 pandemic care at home hours increased significantly from c10,300 to c12,700 per week with this level of demand continuing at an additional cost of c£2.500m. This rate of increase is in excess of current demographic resources, while conversely care home placements continue to be lower than pre pandemic levels and previous agreements to reduce the level of commissioned care home beds do help offset the increased care at home activity costs. A budget adjustment has been completed transferring resource from care homes to care at home.

Estimates for COVID-19 Key Provider Support costs continue to be dependent on the data intelligence system for quantifying the costs. Scottish Government guidance has advised the under-occupancy and non delivery of care elements of Provider support finished at the end of October 2022. Whilst social care staff support fund and the arrangements for Personal Protective Equipment (PPE) costs continue to be supported until the end of March 2022. Therefore a high level projection of expected costs has been made. There is always an acknowledged scope for movement on these estimates and they will continue to be monitored closely.

Work continues with Angus Council finance colleagues in developing an action plan following a review of income generation, debt management and financial projections and to refine income management processes and procedures. Progress will be monitored by the Audit Committee.

At the October 2021 IJB an update on progress with implementation of the Carers Act was described in report 58/21 and supported by the IJB. The funding is currently held against Centrally Managed Budget with this resource to be transferred to individual service areas in November (Older People, Learning Disabilities, Physical Disabilities and Mental Health).

Pressures continue within the Physical Disability service following the 2021/22 budget realignment exercise. As noted at previous meetings, the service has developed an Improvement Plan (IJB 41/21) with a further update to be reported at the February 2022 IJB.

Similarly there are pressures within the Learning Disability service driven by demand and the complexity of care packages. However, predominately this pressure will be alleviated on completion of the Carers Act budget adjustments.

At this stage in the financial year, and noting the pressures on the finance team due to a long term vacancy, there is a level of uncertainty regarding some projections. It is anticipated through recent recruitment the level of uncertainty will be reduced in the coming months.

3.10 Centrally Managed Budget - these budgets are now being reported collectively with the intention of providing a better representation of this Partnership wide resource.

The Centrally Managed Budget continues to reflect previous progress with savings (as per the IJB's financial plan. Also the COVID-19 reserves required to meet the COVID-19 spend across the Partnership is captured against this budget.

It is important to recall that the IJB's Strategic Financial Plan previously did anticipate recurring overspends regarding Adult Services with offsetting under spends elsewhere in the IJB. This structural imbalance requires to be addressed between the two partners on a permanent bases and this will be actioned in due course.

3.11 Overall Position Regarding the IJB - The overall projected financial position for Angus IJB for the year to March 2022 is an under spend of c£1.165m, after allowing for the costs of COVID-19.

3.12 Financial Impact of COVID-19 – The Partnership has submitted quarter 2 remobilisation financial plan to the Scottish Government regarding the estimated financial impact of COVID-19.

The situation remains fluid with the Partnership projecting an estimated spend of c£2.966m, noting the Financial Support for Social Care Provider costs are based on the Scottish Government guidance. This cost is being managed through a combination of accessing COVID-19 reserves and through offsetting variances on services. The main areas of COVID-19 related spending continue to be:

- Key provider Support costs
- Additional care at home packages
- Additional staffing costs, including Out of Hours
- Supporting Third Sector Mental Health Providers
- Loss of income recoveries
- Infection Control and additional PPE costs
- Additional prescribing costs
- Continuing investment in Digital Working and Infrastructure

As noted previously, the long term financial risks regarding COVID-19 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. There are increasing emerging workforce issues that may be partly attributable to COVID-19 related effects. These issues are common across Scotland and continue to be part of regular discussion and reporting between all IJBs and the Scottish Government.

Ultimately the long term impact of COVID-19 is not known but may impact on our Strategic Commissioning Plan and Strategic Financial Plan, albeit it is expected the Scottish Government Winter Pressures recurring funding will help to reduce some of the recurring gap

3.13 Progress with Strategic Financial Plan (Planned Interventions) - Table 2 provides an update of the current financial position against planned interventions.

	Original Profile			Current Projection	Comments
	2021/22	2022/23	2023/24	2021/22	
Table 2 Planned Interventions Update	£k	£k	£k	£k	
Angus Care Model (ACM) - Residential Care Review (Peripatetic Nursing)	25	75	0	0	Project Significantly delayed
ACM - Extended Inpatient Review	150	150	0	0	Revisiting the data, with a further update to be provided at the April 2022 IJB meeting
ACM – POA Review	50	150	0	0	
ACM - Help to Live at Home	0	50	0	0	Work is ongoing with timeline being revisited
Supported Accommodation Review	50	50	0	0	Progressing with consultation, with the unlikelihood of any saving being achieved in the current year
Learning Disability Improvement Plan	220	100	100	220	Subject to clarification and a progress update report to February 2022 IJB
Physical Disability Improvement Plan	80	100	100	0	
Increased Charging/Recoveries	200	200	200	200	Complete
EMT Reviews	554	600	550	127	Limited progressing made to date; a particular risk given reliance on this form of saving in 2022/23
GP Prescribing	22	35	35	22	Complete
Total Recurring	1,351	1,510	985	569	Forecast c42% of recurring Target Delivered
Non Recurring	500	0	0	500	Complete
Total Recurring & Non Recurring	1,851	1,510	985	1,069	Forecast c58% of Planned Interventions Delivered

The above table focuses on the saving initiatives with a planned 2021/22 impact, however the majority of these initiatives have a significant long term recurring saving target associated with future years and some of the shortfalls above will impact on the strategic plan over 2022/23 and 2023/24. In year, it does look like non-recurring savings will offset the above shortfall.

The progress against planned interventions has been significantly impacted due to COVID-19, resulting in delays. Projects have commenced and work is progressing on these saving initiatives, albeit the previous delays have had an impact on these timelines. For some planned interventions, e.g. Peripatetic Nursing and Supported Accommodation, the IJB will now start to adjust in year budgetary frameworks to allow for progress with savings and timing of savings delivery.

As previously noted (report 16/21) work is being undertaken to develop plans regarding in house care home provision.

3.14 Financial Planning Update - Winter Planning Funding

As noted in report 54/21, the Scottish Government has recently announced £300m of additional funding to provide longer term improvement in service capacity across health and social care systems. Details continue to emerge from the Scottish Government regarding this funding. Funding is intended to help address issues that may have emerged during COVID-19 responses and have a recurring impact. Report 54/21 recommended that the IJB request "the Chief Officer to progress plans regarding this funding and implement proposals in line with Scottish Government intentions and the IJB's existing Strategic Plan and Strategic Financial Plan" and noted the 5 main funding areas and an update is provided below.

1. Interim Care - The IJB will receive £0.954m in 2021/22 and £0.477m in 2022/23 (£nil recurring) to enable patients currently in hospital to move into care homes and other community settings, on an interim basis, to ensure they can complete their recovery in an appropriate setting. The IJB is currently developing its response to this allocation, will consider referral criteria, is working with Angus Council's Procurement department function guidance and is generally developing plans to deploy this funding in the context of overall health and social care provision in Angus.
2. Uplift in Social care - This agreed uplift in the minimum hourly wage of those providing direct Adult Social Care is now being progressed within Angus in conjunction with Angus Council Procurement Department.
3. Expanding Care at Home - The IJB will receive c£1.479m this year to support the expansion of care at home provision. This is recurring provision and it is expected that this funding will be increased further from 2022/23. The IJB had already identified a requirement to fund c£0.950m of additional activity from the next financial year. However this allocation will also help address recent increased commitments in home care in Older Peoples Services and other services such as Disabilities. Further, the IJB has also acknowledged, as has communication from the Scottish Government, that expanding care at home is about more than just providing additional care home hours, but requires support of care management, community equipment, adaptations, Enablement Rehabilitation Teams and input from other services such as AHPs and Community Nursing. These are all under consideration alongside pressures emerging as part of COVID-19 responses.
4. Developing MDTs - The IJB will receive £0.477m in 2021/22 and, it is anticipated, £0.954m on a recurring basis. There are a range of existing and developing pressures this funding may be applied to including supporting Care Homes, Long COVID, Primary Care and the overall service provision within the HSCP.
5. Wellbeing - The IJB has received an allocation to support staff well being. Individual services are developing responses to these allocations.

3.15 Progress with Strategic Financial Plan

As IJB members will be aware, in previous years the IJB has received a draft 3-year financial plan at December meetings in advance of final updated Strategic Financial Plans being shared at April IJB meetings. Due to circumstances, including COVID-19 implications and associated workload, staffing challenges and evolving funding issues, it has not been possible to prepare an interim 3 year financial plan for this meeting. However, an interim financial plan will be shared at the IJB's February 2022 meeting in advance of a final proposal to the April 2022 IJB meeting. It is anticipated that draft financial plans will be shared with the IJB's Strategic Planning Group in advance of being submitted to the IJB.

In advance of a report to the February IJB meeting, the following update is provided.

Report 4/21 ("Angus IJB Strategic Financial Plan 2021/22 to 2023/24"), noted provisional financial planning shortfalls as follows:-

Year	2021/22	2022/23	2023/24
Financial Planning Shortfall	£0.543m	£2.712m	£4.493m

While this year's forecast overspend has been contained due to non recurring factors, the underlying recurring shortfalls do still exist.

However since report IJB4/21 a number of factors have emerged:-

- As noted previously and elsewhere significant additional Scottish Government funding has now been forthcoming. While difficult to determine, it is estimated this may provide additional beneficial support to the IJB's financial plan of c£1m, thereby helping to close out some of the recurring gap.
- A number of planned interventions set out in report 4/21 are in danger of not delivering the original planned financial targets. While some of this will be re timing, some of it will be about overall delivery. Looking at planned interventions over the 3 years of the financial plan, and accepting it is difficult to perfectly assess the likelihood of savings delivery, we can see that risks do exist re possible shortfalls in savings delivery as follows:-

Year	2021/22		2022/23		2023/24	
	Recurring Plans	Recurring Forecast	Recurring Plans	Recurring Forecast	Recurring Plans	Recurring Forecast
Planned Interventions RECURRING	£1.351m	c£0.700m	£2.861m	c£1.000m	£3.846m	c£1.300m

From this table it can be seen that risks of c£2.5m are associated with existing agreed planned interventions that have the real potential to exacerbate the previously documented shortfalls. It should be noted some additional savings opportunities have arisen since report 4/21. That includes changes with respect to Stroke Services and Internal Care Homes. Both these options continue to be discussed by the IJB but both have the potential to support the IJB's overall plans including managing risks and priorities already in the financial plan and noted below.

In addition it is important to note that of the financial risk regularly documented in IJB reports, some may have a real negative impact on the IJB but were not formalised in the IJB's Strategic Financial Plan, including:-

- Financial risks associated with long-term COVID-19 responses (i.e. after short-term Scottish Government funding ceases).
- The impact of safe staffing legislation.
- Risks associated with provision of General Practice services and 2c models.
- Potential excess costs of implementing the Primary Care Improvement Plans.
- Financial risks associated with Mental Health Services managed within NHS Tayside.
- District Nurse banding appeal and Angus Council pay uplift issues.

Further, IJB reports have noted that the IJB is now seeking to progress its Prevention agenda. As of the April 2021 plan, there was no allowance for this development and that will require further financial support at some point.

4. PROPOSALS

There are no recommendations for approval in this report.

5. FINANCIAL IMPLICATIONS

From the above and attached appendices it can be seen for 2021/22 the IJB is forecasting a year end under spends of c£1.165m. This contrast with the forecast overspends set out in the IJB's Strategic Financial Plan for 2021/22. The difference is largely attributable to a continued high level of non-recurring under spends – some of that relates to unfilled vacancies linked to recruitment issues and non recurring savings in advance of formalisation of planned interventions. All projections are preliminary at this point and subject to multiple risks as noted earlier.

All costs associated with COVID-19 in the current year are being managed through a combination of accessing COVID-19 reserves and through allowing for non recurring service

under spends. As noted at the August 2021 meeting, the IJB holds a COVID-19 reserve that is ring fenced to support the continuation of COVID-19 costs along with any new approved spend aligned to the IJB's COVID-19 remobilisation plan. Ultimately the long term impact of COVID-19 is not known but will impact on our Strategic Commissioning Plan and Strategic Financial Plan, albeit it is expected the Scottish Government Winter Pressures recurring funding will help to reduce some of the recurring gap

There also remain underlying inflationary and demographic pressure offset by non-recurring under spends. Slippage in progress with delivery of savings from planned interventions is an increased risk and this will have an effect on plans beyond 2021/22.

At the moment, and noting risks above, as the IJB is forecasting a year end under spend of £1.165m so the impact of the IJB's financial position for both Angus Council and NHS Tayside would be neutral. Per the Integration Scheme, the IJB would initially retain any projected year end under spend within IJB reserves.

6. RISK

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. A new risk has been added regarding the likelihood (i.e. increasingly certain) of significant inflationary pressures on the IJB's non-pay cost base going forward.

RISK TITLE	RISK OWNER	JUNE 2021	AUGUST 2021	OCTOBER 2021	DECEMBER 2021
Financial Management/Planning	Chief Officer	20 (5;4) RED	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 of the HSCPs progress with planned interventions. Whilst the new Scottish Government additional recurring Winter Pressure funding should in theory reduce the risk this is offset by unachieved planned interventions, therefore no change in the risk matrix results.

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.

7. OTHER IMPLICATIONS (IF APPLICABLE)

N/A

8. EQUALITY IMPACT ASSESSMENT

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

9. 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	X
	Angus Council	
	NHS Tayside	
	Angus Council and NHS Tayside	

REPORT AUTHOR: Alexander Berry, Chief Finance Officer

EMAIL DETAILS: tay.angushscp@nhs.scot

List of Appendices:

Appendix 1: Angus Health and Social Care Partnership Financial Monitoring Report 2021/22

Appendix 2: Angus Health and Social Care Partnership Financial Risk Assessment 2021/22

Appendix 3: IJB Reserves 2021/22

Appendix 4: Financial Governance

Appendix 1 Angus Health and Social Care Partnership Financial Monitoring Report 2021/22

	Adult Services		Angus NHS Directed Services		HSCP	
	Annual Budget £k	Projected (Over) / Under £k	Annual Budget £k	Projected (Over) / Under £k	Annual Budget £k	Projected (Over) / Under £k
Local Hospital and Community Health Services						
Older Peoples Services						
Psychiatry Of Old Age			5,452	(50)	5,452	(50)
Medicine For The Elderly			6,547	615	6,547	615
Minor Injuries + Illness Units			1,942	280	1,942	280
Community Nursing			4,921	11	4,921	11
Enhanced Community Support			1,219	215	1,219	215
Management & Admin	1,100	(145)			1,100	(145)
Care at Home	4,876	205			4,876	205
Intermediate Care	372	0			372	0
Community Support	758	10			758	10
Supported Accommodation	494	(22)			494	(22)
Internal Residential	5,162	67			5,162	67
Care and Assessment	24,892	(2,075)			24,892	(2,075)
Community Mental Health	2,094	183			2,094	183
Older Peoples Service	39,748	(1,777)	20,082	1,071	59,829	(707)
General Adult Psychiatry	3,340	(18)	2,877	74	6,216	56
Admin Community Support	2,687	122			2,687	122
Non Residential Care	6,784	(902)			6,784	(902)
Residential Care	5,660	(6)			5,660	(6)
Learning Disability(Angus)			610	36	610	36
Learning Disability	15,130	(786)	610	36	15,740	(750)
Physical Disabilities	4,217	(1,645)	0	0	4,217	-1,645
Substance Misuse	1,305	204	1,091	67	2,395	271
Community Services						
Physiotherapy			2,353	79	2,353	79
Occupational Therapy	1,412	159	703	149	2,115	308
Joint Store	690	(72)			690	(72)
Anti-Coagulation			236	32	236	32
Primary Care			744	(32)	744	(32)
Carers	531	0			531	0
Homelessness	855	7			855	7
Other Community Services			1,279	15	1,279	15
Community Services	3,487	94	5,316	243	8,803	337
Planning / Management Support						
Centrally Managed Budget	1,157	1,302			1,157	1,302
Ijb Management	2,007	44	1,609	148	3,616	192
Planning / Management Support	3,164	1,346	1,609	148	4,773	1,494
Local Hospital and Community Health Services			31,583	1,639		
Services Hosted in Angus on Behalf of Tayside IJBs						
Forensic Service			1,075	(235)	1,075	(235)
Out of Hours			8,226	(420)	8,226	(420)
Speech Therapy (Tayside)			1,241	12	1,241	12
Locality Pharmacy			2,512	0	2,512	0
Tayside Continence Service			1,517	14	1,517	14
Hosted Services Centrally Managed Budget			(53)	(27)	(53)	(27)
Hosted Services Recharges to Other IJBs			(10,584)	479	(10,584)	479
Services Hosted in Angus on Behalf of Tayside IJBs	0	0	3,935	(178)	3,935	(178)
Services Hosted Elsewhere on Behalf of Angus IJB	0	0	8,297	21	8,297	21
GP Prescribing			21,970	(22)	21,970	(22)
Other FHS Prescribing			87	53	87	53
General Medical Services			19,209	(190)	19,209	(190)
Family Health Services			15,440	(3)	15,440	(3)
In Patient Mental Health Services			0	0	0	0
Large Hospital Set Aside			8,290	0	8,290	0
Total	70,390	(2,582)	108,812	1,320	179,201	(1,262)
Centrally Managed Budget	(201)	(622)	1,738	3,050	1,537	2,428
Grand Total	70,189	(3,204)	110,549	4,370	180,739	1,165

Appendix 2 – Angus Health and Social Care Partnership Financial Risk Assessment 2021/22

Risks – Revenue	Risk Assessment		Risk Management/Comment
	Likelihood	Impact (£k)	
Current Financial Performance			
Data Quality	Medium	N/A	Issues continue to have potential to undermine reporting planning. Per 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 2021/22 budget with NHS Tayside (e.g. Complex Care, Large Hospital Set Aside [LHSA])	Medium	c£500k (recurring)	Complex Care – In the IJB's 6 th year of operation, this remains unresolved with increased scope for loss of audit trail and incremental, unfunded costs shifting to the IJB. LHSA – The partnership is in discussions with NHS Tayside re appropriate resource release. 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 previous information suggested Angus had 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 – significant future year risk with uncertainty re the financial impact on longer term cost base.	Medium (Future years)	TBC (Future Years)	Scottish Government recurring Winter Pressure funding will provide additional beneficial support. Work is ongoing to assess the financial implications.
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. This risk may be increasing reflecting changes in the wider economy.	Medium	c£300k + (recurring)	The IJB faces a number of workforce issues (e.g. General Practice, care provision) 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	High	c£1.0m+ (recurring)	Subject to a separate report to the April IJB. There remains a risk of growth beyond current plans.
Adult Care Services likely to see inflation pressures beyond 2021/22 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 appear to now be partially offset by increased Scottish Government funding.
Inflationary Pressures – General pressure on non-pay costs due to external factors	Medium	c£100k (recurring)	Scotland Excel have highlighted systematic pricing pressures on non-pay costs.
Brexit related financial Impacts – A range of IJB costs could be affected in various Brexit scenarios.	Medium	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.
Primary Care Improvement Plan (note short term resources in place until c 2022/23)	Medium (from 2023/24)	Not known	This issue is being considered regionally and is understood to be replicated across Scotland. (See report 19/21.)
District Nursing banding appeal.	Medium	c£200k+ (recurring) and arrear tbc	Pending outcome from banding appeal against District Nurses posts across NHS Tayside, both backdated and recurring costs.
Angus Council – Resolution of Pay uplift (2021/22)	Medium	TBC	Pay awards for Angus Council employed staffs are unresolved. This represents an additional risk to the Partnerships if uplifts are above planned levels.
New Community Custody Unit (Dundee) - Healthcare Provision	Medium	c£150k (recurring)	New service development to support Scottish Prison Service unit. No recurring funding identified as yet.
Planned Interventions			
Some IJB savings programmes behind schedule (since 2019/20, i.e. pre-dating COVID-19)	Medium	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	Medium	Partly incl in financial plan	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	CFO continues to work with Partners to develop finance support. Current risks include Procurement, Property and Legal. These have a detrimental impact on the IJB's ability to deliver a balanced financial plan.
Change of residence status (to Angus from another area for service user)	tbc	tbc	Refers to risk of service users originating outside Angus, changing residence status to Angus at point of receipt of care.

Appendix 3: IJB Reserves 2021/22

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.

General Reserves - The IJB holds a contingency reserve of £4.750m (2.5% of turnover). 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.

Ear-marked Reserves - The IJB's ear-marked reserves are listed in the table below. Evolving financial plans exist for each reserve but, where these are not fully developed, the IJB will require to develop strong plans e.g. regarding Primary Care Improvement Fund 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 2021- £1.850m; increased by £0.672m in August 2021. This resource is managed over the duration of the Strategic Financial Plan (now to March 2024) and overseen by the Strategic Planning Group.

Financial Planning Reserve 2020/21 – Opening value at 1 April 2021 - £1.751m. This reserve has now been depleted and has resulted in the creation of a smaller Mental Health Strategy reserve per report 54/21.

Financial Planning Reserve 2021/22 – Opening value at 1 April 2021 - £1.672m; now £1.000m. The application of the balance of these funds will be considered in due course.

Mental Health Strategy Reserve – Opening value at 1 April 2021 - nil; new allocation of £0.300m created in October 2021 per report 54/21.

Table 3 below shows the IJB's reserves position at the start of this financial year and changes and projections to year end. Projections in "project type" funding may be subject to refinement reflecting slippage that emerges during the year related to recruitment and capacity issues.

There is a likelihood that due to the pace and timing of Scottish Government disbursement of new allocations to all IJBs in Scotland, Angus IJB may see a significant increase in its year end ear-marked reserves at March 2022. This includes potential reserves re Alcohol and Drug Partnership (ADP), Winter Planning etc.

Table 3 - Angus IJB Reserves	Opening Balance 1 Apr 2021	Re-alignment of Reserves	Revised Reserves at 31 Oct 2021	Forecast Change in Year	Forecast Closing Balance 31 Mar 2022	Additional Comment (including commentary regarding deployment of funds)
	£k	£k	£k	£k	£k	
General Fund Balance (Usable Reserve) - General Reserve	4,750	0	4,750	0	4,750	
General Fund Balance (Ear-Marked Reserves)(Local)						
Strategic Plan Reserve	1,850	672	2,522	(483)	2,039	Reserve managed by Strategic Planning group who receive a half yearly update.
Financial Planning Reserve 2020/21	1,751	(300)	1,451	(1,451)	0	Redistribution of £1.451m to IJB Partners along with the creation of a MH Strategy Reserve (Report 54/21)
Financial Planning Reserve 2021/22	1,672	(672)	1,000	0	1,000	£672k Re-allocation to SPR (Report 37/21); plan to future IJB.
Financial Planning Reserve 2022/23	0	0	0	1,165	1,165	Plan to future IJB.
Mental Health Strategy Reserve		300	300	(50)	250	£300k reallocated from Fin Plan 20/21 (Report 54/21) and to be managed as per report 54/21.
	5,273	0	5,273	(819)	4,454	
General Fund Balance (Ear-Marked Reserves) (Scottish Government [SG] Funding)						
GMS Contract - Primary Care Improvement Plan	1,666	0	1,666	334	2,000	Plans for deployment to be developed by Feb 2022.
Mental Health - Action 15 Funding	331	0	331	(331)	0	Expect to be fully spent in 2021/22
Primary Care Transformation	195	0	195	(112)	83	Awaiting updated plan from Primary Care Manager
Primary Care Premises	102	0	102	(59)	43	Awaiting updated plan from Primary Care Manager
SG - Alcohol and Drug Partnership	63	0	63	(63)	0	Expect to be fully spent in 2021/22
SG - Forensic Developments	33	0	33	(33)	0	Fully Spent
SG - Drug Death task Force	101	0	101	(101)	0	Awaiting updated plan from Service Lead
SG- District Nursing Workforce	47	0	47	(47)	0	Expected to be fully spent in 2021/22
SG- Community Living Change	392	0	392	(131)	261	Initial assumption noting 3 year fund (received Feb 21); await plan from service.
SG - COVID-19 (notional)	4,433	0	4,433	(1,800)	2,633	Scottish Government require this funding to be ear-marked for future COVID-19 implications.
	7,363	0	7,363	(2,343)	5,020	
Total General Fund Balance (Ear-Marked Reserves)	12,636	0	12,636	(3,162)	9,474	
Total General Fund Balance	17,386	0	17,386	(3,162)	14,224	

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 IJB. The issues and some commentary are detailed below. It is worth noting there has been no further risk reported since the last IJB report.

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 the June 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/IJB - 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.	Complete	Complete and agreement reached regarding changes in Angus Council finance support, effective from 1 November 2021.

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, 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.