



**ANGUS HEALTH AND SOCIAL CARE**

**INTEGRATION JOINT BOARD – 23 FEBRUARY 2022**

**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) Endorses the commitments made against the Scottish Government's Winter Planning Funding as set out at section 3.15;
- (iii) Notes the update regarding Reserves (Appendix 2), including the need to develop plans to ensure reserves are mobilised effectively;
- (iv) Notes the issues documented in the Financial Governance (Appendix 3); and
- (v) Support the Chair of the IJB writing to NHS Tayside seeking clarity regarding the outcome of the Mental Health in patient review with regard to plans for a single-site in patient unit and, thereafter, the future use of the former Mulberry site at Stracathro Hospital.

**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 December 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 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£3.237m. This is after allowing for the costs of COVID-19.

**3. CURRENT POSITION**

**NHS Directed Services**

- 3.1 Large Hospital and Community Health Services** – The vast majority of services are continuing to project near breakeven or under spends. However this is higher than expected with much of this being non recurring and driven by unfilled vacancies linked to ongoing

recruitment challenges. This projected position is contributing to the IJB's financial position for 2021/22.

The main exception to the above continues to be Psychiatry of Old Age. The service continues to see an increased level of occupancy, acuity and complexity. This is placing an increased pressure on staffing levels. While the Angus Care Model review of these services is ongoing, issues such as the ongoing lack of clarity re the future use of the former Mulberry Unit at Stracathro continue to inhibit progress. It is a recommendation of this report that the Chair of the IJB write to NHS Tayside seeking clarity regarding the outcome of the Mental Health in patient review with regard to plans for a single-site in patient unit and, thereafter, the future use of the former Mulberry site at Stracathro Hospital.

- 3.2 Services Hosted in Angus on Behalf of Tayside IJBs** - The impact on COVID-19 has been significant within Out of Hours Services with changes to the patient pathway as a direct consequence of COVID-19 embedded in the service model with the outcome being 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. As noted elsewhere, some recent Scottish Government funding has been allocated on a recurring basis to support this service.

Forensic Services continue to have core operational workforce issues and are using the most cost effective supplementary staffing to cover these service gaps ensuring the safe delivery of the service. 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£0.148m, 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£0.1m and this has improved from the previous report due to forecast costs being lower than expected across services, as detailed in Table 1 below.

The impact of the COVID-19 remobilisation plan continues to contribute to increased pressures against Palliative Care Services, along with unresolved saving targets with these overspends mainly offset by a range of service under spends.

<b>Table 1 Services Hosted in Dundee and Perth IJBs on Behalf of Angus IJB</b>	<b>Annual Budget (£k)</b>	<b>Projected (Over) / Under (£k)</b>
<b>Angus Share of Services Hosted in Dundee</b>		
Palliative Care	6,547	(88)
Brain Injury	1,857	150
Sexual & Reproductive Health	2,335	285
Psychology	5,498	225
Dietetics (Tayside)	3,316	35
Other Services Hosted in Dundee	2,425	222
Balance of Savings Target	(546)	(546)
Grand Total	21,432	283
<b>Angus Share (27.1%)</b>	<b>5,808</b>	<b>77</b>
<b>Angus Share of Services Hosted in Perth &amp; Kinross</b>		
Podiatry (Tayside)	3,304	238
Prison Health Services	4,155	5
Public Dental Service	2,583	87
Other Services Hosted in Perth	99	58
Balance of Savings Target	(306)	(306)
Grand Total	9,835	82
<b>Angus Share (27.1%)</b>	<b>2,665</b>	<b>22</b>
<b>Total Angus Share of Services Hosted Elsewhere</b>	<b>8,473</b>	<b>99</b>

**3.4 Family Health Services (FHS) Prescribing** - COVID-19 has caused significant disruption to patterns of spend within Prescribing Regionally. Prescribing data available to October 2021 continues to show 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 reflected in this report is slightly lower than financial planning expectations.

The year end projection reflects actual prescribing information to October, and is c£0.3m lower than the financial plan forecast variance based on 7 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 continues to review 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** - 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 70/21) and underlying premises pressures 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.

While these services, including any overspends, were financially managed within IJBs up to 2019/20, for 2020/21 and 2021/22 they have been financially managed by NHS Tayside. NHS Tayside is now seeking to reach agreement with IJBs as to how this overspend is managed and funded in future years and this may present an additional financial burden going forward. Any future agreement may expose the IJB to different Mental Health financial risks to those it is currently exposed to. With regional overspends on these services of c£3.5m forecast for 2021/22, those risks may be beyond those previously captured in the IJB's Strategic Financial Plan. As part of developing future iterations of the IJB's Strategic Financial Plan, we will seek to clarify these risks and are in dialogue with NHS Tayside to enable us to do this and to bring a position back to the IJB.

**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 is a non recurring under spend of c£2.025m, before adjusting for the costs of COVID-19 and the new increased additional winter pressures funding to support improvements in service capacity. 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£1.385m, before adjusting for COVID-19 costs. This projection includes c£1.792m of COVID-19 costs. Therefore Adult Services would be forecasting a recurring under spend of c£0.407m when COVID-19 costs are removed. The forecast under spend is due to reductions in anticipated spend against Provider Support Payments, delays in project related work, the constraints on our ability to provide further capacity in home care and vacancies linked to ongoing recruitment challenges. In addition some costs have been supported by the new Scottish Government winter pressures funding to support improvements in service capacity across the health and social care systems.

As has been noted previously demographics continues to be the largest pressure on resources. The impact of COVID-19 has seen a shift in demand between Care Homes and Care at Home with budgets adjusted to reflect this change. However the demand for Care at Home continues to exceed the available capacity in the Partnership and if the capacity was there it might be reasonable to assume additional annualised costs of c£1.500m.

The COVID-19 costs for Key Supplier Support payments are dependent on the key supplier support system data intelligence for quantifying the costs and hence there is a level of uncertainty in the financial forecast. Social care staff support fund and the arrangements for Personal Protective Equipment (PPE) costs continue to be supported until the end of March 2022. There is always an acknowledged scope for movement on these estimates and they will continue to be monitored closely.

As noted in the last IJB Finance report, work has been ongoing with colleagues in Angus Council finance department in the developing and implementation of an action plan following a review of income generation, debt management, financial projections and to refine income management processes and procedures. Progress will be monitored by the Audit Committee.

Previous IJB papers have noted the continuing pressures within Physical Disability service, and the service has developed an Improvement Plan (see update to February 2022 IJB).

The Learning Disability service budget has been uplifted to include the Carers Act funding and the financial forecast amended with the service reporting a revised under spend.

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.

**3.10 Centrally Managed Budget** - the Centrally Managed Budget continues to reflect previous progress with savings (as per the IJB's financial plan), COVID-19 reserves provided by the Scottish Government and the new additional winter pressures recurring funding allocated by the Scottish Government in October to support improvement in service capacity across health and social care systems.

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 has improved due to a reduction in anticipated spend associated with unfilled vacancies linked to ongoing recruitment challenges; the ability of the Partnership to provide further home care capacity and delays in implementation of projects. As well as the new increased additional winter pressures funding to support improvements in service capacity across the health and social care systems. This results in a forecast year end position of c£3.237m under spend.

**3.12 Financial Impact of COVID-19** – The Partnership has submitted quarter 3 remobilisation financial plan to the Scottish Government with the current year estimated impact of COVID-19 being c£2.320m. These costs have reduced from the previous remobilisation plan due to anticipated costs not materialising, linked to ongoing recruitment challenges, and the realignment of spend against the additional recurring winter pressures funding allocated by the Scottish Government in October to support improvement in service capacity across health and social care systems.

COVID-19 costs continue to be managed by a combination of COVID-19 reserves and through offsetting variances on services. The main areas of COVID-19 related spending continue to be:

- Key Supplier Support costs
- Additional staffing costs,
- Supporting Third Sector Mental Health Providers
- 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, uncertainty re long term prescribing issues, immediate and longer term impact on our independent sector providers as interim financial support evolves, 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, although the Scottish Government Winter Pressures recurring funding has already mitigated 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	
<b>Table 2 Planned Interventions Update</b>	<b>£k</b>	<b>£k</b>	<b>£k</b>	<b>£k</b>	
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 no saving being achieved in the current year
Learning Disability Improvement Plan	220	100	100	141	Subject to a separate progress update report to the February 2022 IJB
Physical Disability Improvement Plan	80	100	100	80	
Increased Charging/Recoveries	200	200	200	200	Complete
EMT Reviews	554	600	550	87	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
<b>Total Recurring</b>	<b>1,351</b>	<b>1,510</b>	<b>985</b>	<b>530</b>	Forecast c39% of recurring Target Delivered
Non Recurring	500	0	0	500	Complete
<b>Total Recurring &amp; Non Recurring</b>	<b>1,851</b>	<b>1,510</b>	<b>985</b>	<b>1,030</b>	Forecast c56% of Planned Interventions Delivered

The progress against planned interventions has been significantly impacted due to COVID-19, resulting in delays. Projects have re-commenced and work is progressing again on these saving initiatives, albeit the previous delays have had an impact on these timelines into the financial year 2022/23. As described in this report further in year, non-recurring underspends will offset the above shortfall.

The above table focuses on the saving initiatives with a planned 2021/22 impact. However as previously noted the majority of these initiatives have a significant long term recurring saving target associated with future years and the shortfalls above will impact on the strategic financial plan over 2022/23 and 2023/24. The IJB's underlying or "rollover" budget for migrating from 2021/22 to 2022/23 will be re-aligned to reflect these shortfalls with many savings plans being re-scheduled for future years.

As previously separately work is being progressed regarding in house care home provision.

### 3.14 Progress with Strategic Financial Plan

A report on the draft 3-year Strategic Financial plan is provided separately to the February 2022 IJB.

### 3.15 Financial Planning Update – Winter Planning Funding

This section of the report provides an update re additional recurring funding allocated by the Scottish Government from 2021/22 to support system pressures. Some of this includes responding to the recurring impacts of COVID-19. In October 2021, the IJB agreed to devolve responsibility to the IJB's 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". Report 67/21 provided an update to the December IJB. Current plans are set out below and the IJB are now asked to endorse these plans.

#### 3.15.1 Increase in Hourly Rate of Social Care Staffing – National £144m (recurring); Angus £3.434m.

This funding has been used directly to increase the payments to the independent and third sector organisations that Angus IJB contracts with. This allows them to increase the minimum wage paid to Adult Social Care staff from December 2021.

#### 3.15.2 Interim Care - National £40m in 2021/22, £20m in 2022/23 (non-recurring); Angus £954k and £477k.

This funding will be utilised for interim care arrangements to enable patients currently in hospital to move into care homes and other community settings, on an interim basis over the 2 years with a significant carry over from 2021/22 to 2022/23. At the start of February 2022, the IJB has only needed to make limited use of this funding stream.

#### 3.15.3 Expanding Care at Home – National £124m (recurring); Angus £2.958m.

The IJB set up a working group to oversee the prioritisation of this resource, in line with Scottish Government direction (i.e. to expand home care provision) and in line with the IJB's plans strategic plan. The working group submitted proposals to the IJB's COVID-19 oversight group, which includes the Chief Officer and plans have now been approved to allocate the funds across a broad range of areas to ensure a balanced expansion of the IJB's home care provision. While some plans are still provisional, currently funds have been allocated to the following areas:-

Service	Allocations (£k)	Comment
Enablement & Response Teams	240	To augment existing teams.
Direct Home Care	1520	This will fund delivery of 1400 home care hours. This supports the IJB's financial plan into 2022/23.
Day Care	130	Including funds to support future developments.
Community Nursing	87	To augment existing teams.
Care Management	295	Across all service user groups.
Technology	310	Including Community Alarm.
Equipment and Adaptations	175	To augment existing provision.
Other, Management and Overheads	219	The IJB has historically understated the need to support front line investment with appropriate management and overhead type support.
Total	£2958k	

#### 3.15.4 Multi-Disciplinary Teams – National £40m (recurring); Angus £954k

The allocation of this funding stream has been agreed in the same was as "Expanding Care at Home" funding noted above. The Scottish Government are comfortable with some flexibility between these allocations. While some plans are still provisional, currently funds have been allocated to the following areas:-

Service	Allocations (£k)	Comment
Support Workers	294	To augment existing teams.
Community Nursing	104	To augment existing teams.
Care Management	226	Across all service user groups.
Out of Hours	112	To augment existing team.
Other, Management and Overheads	208	As per Expanding Care at Home.
Total	£954k	

### 3.15.5 Supporting Well Being – National £15m (non-recurring); Angus £30k.

This funding has been allocated in line with Government guidance to support local primary care contractors, internal social care staff and social care staff working within the independent sector. As part of the Angus HSCP COVID-19 Remobilisation plan, additional operational work has been undertaken to support the mental health and wellbeing of staff. It is anticipated that the Wellbeing funding will enable the Angus Partnership to continue to build upon this important work.

### 3.15.6 Health Care Support Workers – National £30m (recurring); Angus c£274k.

Work regarding this funding stream is at an earlier stage and plans are still being developed with input from professions across the IJB. Funds will be allocated in line with Scottish Government guidance.

**3.15.7** These plans ensure we deliver on local priorities such as expanding care at home provision and national priorities such as uplifting pay rates within Adult Social Care. They allow us to broaden our support of care at home much more comprehensively than the previous IJB plans allowed for (e.g. to include additional District Nursing, Care Management and equipment and adaptations commitments – i.e. services that need to exist around core home care provision).

Importantly, these plans also allow us to partly absorb developments and pressures that originated during the COVID-19 pandemic. Due to the pace the Scottish Government requested, relevant services are now progressing with the implementation of these commitments.

It is highly likely that, due to planning, procurement and recruitment delays, there will be under spends on this funding in 2021/22. Some of this will be absorbed by one-off commitments; the balance will be carried forward by the IJB via reserves in line with Scottish Government guidance. It will contribute to the IJB's reserves increasing at the year end.

IJB members will recall the IJB previously allowed for the impact of demographic pressures in financial plans. While this was allowed for, to a large extent it remained an unfunded cost pressure as evidenced by the previous recurring shortfalls in the IJB's financial plans. These funding streams do help support that funding gap to extent of c£1m.

The IJB is asked to endorse this range of planned commitments.

## 4. PROPOSALS

There are no additional 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£3.237m. This contrast with the forecast overspends set out in the IJB's Strategic Financial Plan for 2021/22 with the difference attributable to issues such as:

- c£1.5m unfilled vacancies linked to staff turnover and recruitment challenges
- c£0.7m unmet need within care at home
- c£0.3m delays in the implementation of projects/local improvement works.

All COVID-19 costs in the current year are being managed through a combination of accessing COVID-19 reserves and through offsetting non recurring service under spends.



As previously noted 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 the Scottish Government Winter Pressures recurring funding is helping to reduce some of the recurring gap.

There also remain underlying inflationary and demographic pressures offset by non-recurring under spends. Slippage in progress with delivery of savings from planned interventions is already a factor and 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 c£3.237m 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. The current risk assessment is as follows:-

RISK TITLE	RISK OWNER	AUGUST 2021	OCTOBER 2021	DECEMBER 2021	FEBRUARY 2022
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 is reducing the COVID-19 risk, this is offset by impact of unachieved planned interventions resulting in no change in the risk matrix results.

Routinely IJB finance reports include a risk appendix. As most of the risks documented relate to future years, for this IJB, the risk details are shown in strategic financial planning reports.

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 3.

## 7. EQUALITY IMPACT ASSESSMENT

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

## 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	X
	Angus Council	
	NHS Tayside	
	Angus Council and NHS Tayside	

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List of Appendices:

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

Appendix 2: IJB Reserves 2021/22

Appendix 3: Financial Governance

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

Angus Health & 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
<b>Local Hospital and Community Health Services</b>						
<b>Older Peoples Services</b>						
Psychiatry Of Old Age			5,456	(70)	5,456	(70)
Medicine For The Elderly			6,547	638	6,547	638
Minor Injuries + Illness Units			1,943	285	1,943	285
Community Nursing			4,980	(20)	4,980	(20)
Enhanced Community Support			1,219	210	1,219	210
Management & Admin	1,092	(147)			1,092	(147)
Care at Home	4,827	208			4,827	208
Intermediate Care	372	0			372	0
Community Support	758	12			758	12
Supported Accommodation	494	(6)			494	(6)
Internal Residential	5,202	244			5,202	244
Care and Assessment	25,594	(339)			25,594	(339)
Community Mental Health	2,094	211			2,094	211
<b>Older Peoples Service</b>	<b>40,432</b>	<b>183</b>	<b>20,146</b>	<b>1,043</b>	<b>60,579</b>	<b>1,226</b>
<b>General Adult Psychiatry</b>	<b>3,303</b>	<b>(121)</b>	<b>3,046</b>	<b>98</b>	<b>6,349</b>	<b>(23)</b>
Admin Community Support	2,751	138			2,751	138
Non Residential Care	7,315	(520)			7,315	(520)
Residential Care	5,700	506			5,700	506
Learning Disability(Angus)			610	51	610	51
<b>Learning Disability</b>	<b>15,767</b>	<b>124</b>	<b>610</b>	<b>51</b>	<b>16,376</b>	<b>175</b>
<b>Physical Disabilities</b>	<b>4,404</b>	<b>(1,314)</b>	<b>0</b>	<b>0</b>	<b>4,404</b>	<b>(1,314)</b>
<b>Substance Misuse</b>	<b>1,336</b>	<b>204</b>	<b>1,183</b>	<b>130</b>	<b>2,520</b>	<b>334</b>
<b>Community Services</b>						
Physiotherapy			2,353	62	2,353	62
Occupational Therapy	1,487	33	703	159	2,190	192
Joint Store	690	(72)			690	(72)
Anti-Coagulation			236	35	236	35
Primary Care			713	(15)	713	(15)
Carers	631	0			631	0
Homelessness	855	10			855	10
Other Community Services			1,279	20	1,279	20
<b>Community Services</b>	<b>3,662</b>	<b>(29)</b>	<b>5,284</b>	<b>260</b>	<b>8,946</b>	<b>231</b>
<b>Planning / Management Support</b>						
Centrally Managed Budget	(407)	(533)			(407)	(533)
Ijb Management	2,008	102	1,674	302	3,682	403
<b>Planning / Management Support</b>	<b>1,602</b>	<b>(431)</b>	<b>1,674</b>	<b>302</b>	<b>3,275</b>	<b>(130)</b>
<b>Local Hospital and Community Health Services</b>			<b>31,944</b>	<b>1,885</b>		
<b>Services Hosted in Angus on Behalf of Tayside IJBs</b>						
Forensic Service			1,075	(235)	1,075	(235)
Out of Hours			8,231	(370)	8,231	(370)
Speech Therapy (Tayside)			1,241	37	1,241	37
Locality Pharmacy			2,720	0	2,720	0
Tayside Continence Service			1,517	10	1,517	10
Hosted Services Centrally Managed Budget			61	12	61	12
Hosted Services Recharges to Other IJBs			(10,822)	399	(10,822)	399
<b>Services Hosted in Angus on Behalf of Tayside IJBs</b>	<b>0</b>	<b>0</b>	<b>4,023</b>	<b>(148)</b>	<b>4,023</b>	<b>(148)</b>
<b>Services Hosted Elsewhere on Behalf of Angus IJB</b>	<b>0</b>	<b>0</b>	<b>8,473</b>	<b>99</b>	<b>8,473</b>	<b>99</b>
GP Prescribing			22,008	135	22,008	135
Other FHS Prescribing			87	186	87	186
General Medical Services			19,254	(131)	19,254	(131)
Family Health Services			15,450	0	15,450	0
In Patient Mental Health Services			0	0	0	0
Large Hospital Set Aside			8,290	0	8,290	0
<b>Total</b>	<b>70,505</b>	<b>(1,385)</b>	<b>109,530</b>	<b>2,025</b>	<b>180,035</b>	<b>640</b>
Centrally Managed Budget	(386)	75	1,267	2,522	881	2,596
<b>Grand Total</b>	<b>70,120</b>	<b>(1,310)</b>	<b>110,797</b>	<b>4,546</b>	<b>180,916</b>	<b>3,237</b>

## Appendix 2: 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. Similar with other projects the progress against these planned initiatives has been impacted due to COVID-19, resulting in delays with cost slipping into future years.

**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 but this has been delayed due to the impact of COVID-19.

**Mental Health Strategy Reserve** – Opening value at 1 April 2021 - nil; new allocation of £0.300m created in October 2021 per report 54/21. It is now anticipated that this reserve will be used during 2021/22 to support prioritised, existing commitments within Mental Health services that are already contributing to the redesign of the service.

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 as the year progresses related to recruitment and capacity issues.

As a result of the pace and timing of Scottish Government disbursement of new allocations to all IJBs in Scotland, Angus IJB will see a significant increase in its year end ear-marked reserves at March 2022. This will include examples such as funding for new Winter Pressure allocations, Alcohol and Drug Partnership (ADP), Dementia Post Diagnostic Support, etc. The Scottish Government have recognised this effect across all IJBs.

<b>Table 3 - Angus IJB Reserves</b>	<b>Opening Balance 1 Apr 2021</b>	<b>Re-alignment of Reserves</b>	<b>Revised Reserves at 31 Dec 2021</b>	<b>Forecast Change in Year</b>	<b>Forecast Closing Balance 31 Mar 2022</b>	<b>Additional Comment (including commentary regarding deployment of funds)</b>
	<b>£k</b>	<b>£k</b>	<b>£k</b>	<b>£k</b>	<b>£k</b>	
<b>General Fund Balance (Usable Reserve) - General Reserve</b>	<b>4,750</b>	<b>0</b>	<b>4,750</b>	<b>0</b>	<b>4,750</b>	
<b>General Fund Balance (Ear-Marked Reserves)(Local)</b>						
Strategic Plan Reserve	1,850	672	2,522	(483)	2,039	Redistribution of £1.451m to IJB Partners along with the creation of a MH Strategy Reserve (Report 54/21)
Financial Planning Reserve 2020/21	1,751	(300)	1,451	(1,451)	0	£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. (Projection will be updated for anticipated plans.)
	<b>5,273</b>	<b>0</b>	<b>5,273</b>	<b>(504)</b>	<b>4,769</b>	
<b>General Fund Balance (Ear-Marked Reserves) (Scottish Government [SG] Funding)</b>						
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	Expected to be fully spent in 2021/22
SG- District Nursing Workforce	47	0	47	(45)	2	Expected to be fully spent in 2021/22
Scottish Government - Community Living Change	392	0	392	0	392	Initial assumption noting 3 year fund (received Feb 21); await further clarity from SG.
Scottish Government - COVID-19	4,433	0	4,433	(1,156)	3,277	Scottish Government require this funding to be ear-marked for future COVID-19 implications.
	<b>7,363</b>	<b>0</b>	<b>7,363</b>	<b>(1,566)</b>	<b>5,797</b>	
<b>Total General Fund Balance (Ear-Marked Reserves)</b>	<b>12,636</b>	<b>0</b>	<b>12,636</b>	<b>(2,070)</b>	<b>10,566</b>	
<b>Total General Fund Balance</b>	<b>17,386</b>	<b>0</b>	<b>17,386</b>	<b>(2,070)</b>	<b>15,316</b>	

### Appendix 3: Financial Governance

With respect to governance issues, there are a number of long-standing issues that remain unresolved and it has been previously agreed that it would be helpful to highlight these to the IJB. The issues and some commentary are detailed below.

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 2021 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 after the conclusion of current Integration Scheme revisions. i
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. Angus IJB is contributing to the integration scheme.

These issues continue to be monitored by the IJB's Audit Committee. Many are complex, require concurrent 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.