



AGENDA ITEM NO 5

REPORT NO IJB 81/23

ANGUS HEALTH AND SOCIAL CARE
INTEGRATION JOINT BOARD – 13 DECEMBER 2023
FINANCE REPORT – 2023/24

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 2023/24, an update on planned interventions, reserves, financial risks, and governance.

1. RECOMMENDATIONS

It is recommended that the Integration Joint Board: -

- (i) Accept the overall projected financial position of Angus IJB;
- (ii) Request a recovery plan for submission to the IJB's Executive Management Team by the end of February 2024 setting out how Tayside Continence Service will be brought back to financial balance;
- (iii) request that the Chief Officer review the current prescribing governance arrangements as referred to in section 3.4 and take any necessary steps to improve those arrangements;
- (iv) Devolve authority to the IJB Chief Officer and Chief Finance Officer, in conjunction with the IJB's Chair and Vice Chair to develop further and action proposals to transfer £2.064m of Financial Planning Reserves to support whole system pressures within the IJB's Partners and the wider system in Tayside as described in Appendix 3; and
- (v) Scrutinise and note the issues documented regarding Financial Governance (Appendix 4).

2. BACKGROUND

This report describes the most recent financial monitoring and projections for Angus IJB for financial year 2023/24, based on information to the end of October 2023, including NHS Directed Services, Angus Council Directed Services, and an update on planned interventions, reserves and financial risks and governance.

Information contained within this report reflects estimates for the whole of 2023/24 and consequently, given the stage in the financial year, further reviews of projections will be undertaken which will lead to future adjustments in information.

The IJB's detailed projected financial position for 2023/24 is set out in Appendix 1. This shows that the overall projected financial position for the year to March 2024 is an under spend of c£2.522m.

3. CURRENT POSITION

NHS Directed Services

3.1 Local Hospital and Community Health Services – These services are projecting a year end under spend of c£0.216m. Key factors to note includes: -

- Several service areas have unfilled vacancies linked to staff turnover and recruitment which has a consequent impact on service delivery.
- All service areas have been allocated managerial (EMT Review) savings.
- Psychiatry of Old Age services are incurring the costs associated with Angus patients boarding in non-Angus hospitals due to the non-operational ward (Prosen) in Angus.
- Substance Use service overspend has reduced from previous reported position.
- Financial exposure to be managed locally out-with regional GMS resources for Angus 2C GMS Practices is c£0.862m overspend.
- The in-year projected position does offset against other, often recurring, cost pressures within the IJB's overall financial position for 2023/24 (e.g. Prescribing).

3.2 Lead Partner Services in Angus –Reporting a year end overspend of c£0.446m for the Angus share of these costs whilst there is some offsetting funding locally to support these costs. Key point to note includes: -

- Out of Hours (OOH) Service has seen an increase in demand, during and since Covid-19, resulting in increased costs. Whilst the number of clinician-patient contacts is similar post Covid-19 to pre Covid-19, the consultation times are longer due to more complex cases. The associated increased costs were supported by Scottish Government Covid-19 funding until March 2023. The service is forecasting an overspend position this year; however, following the implementation of new governance and efficiency measures, the position in the current year has reduced from a forecast of a c£1.8m to a c£1.3m forecast overspend. The recurring position is currently forecast to be closer to c£1.1m of an over commitment. This is partly a result of actions being taken forward as part of a financial recovery plan, originally requested in December 2022, currently near finalisation. Angus did recognise the increasing pressures within the service and allocated some of the Scottish Government additional recurring funding from 2021/22 to support this pressure (£0.122m).
- Forensic Services continue to have operational workforce issues with supplementary staffing being used to cover these service gaps to ensure the workforce is safe, resulting in a projected overspend of c£0.140m.
- Tayside Continence Service national product contract has been awarded for 5 years with the contract value increasing due to price and delivery arrangement. This along with an increase in patient numbers is resulting in a projected overspend of c£0.257m. This represents a material overspend on a budget of c£1.507m. On that basis, it is recommended that the service management team develop a financial recovery plan for approval by the IJB's Executive Management Team, and for this to be shared with other IJB's in Tayside, by the end of February 2024 setting out how the service will be brought back to financial balance.

3.3 Lead Partner Services in Dundee/Perth - As the IJB will be aware several 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£0.191m, as detailed in Table 1 below. The main factors to note is: -

- Increased pressures continue against Palliative Care, Brain Injury and Dietetics Services offset by a range of service under spends mainly relate to unfilled vacancies linked to recruitment challenges.

Table 1 - Lead Partner Services in Dundee and Perth IJBs on Behalf of Angus IJB	Annual Budget (£k)	Projected (Over) / Under (£k)
Angus Share of Lead Partner Services in Dundee		
Palliative Care	7,775	(560)
Brain Injury	2,048	(198)
Sexual & Reproductive Health	2,556	100
Psychological Therapies	7,733	215
Dietetics (Tayside)	3,773	(90)
Other Services Hosted in Dundee	1,636	219
Other Services - Corporate	200	200
Grand Total	25,721	(113)
Angus Share (27.1%)	6,970	(31)
Angus Share of Lead Partner Services in Perth		
Podiatry (Tayside)	3,695	389
Prison Health Services	4,888	129
Public Dental Service	1,821	297
Other Services Hosted in Perth	48	2
Grand Total	10,451	817
Angus Share (27.1%)	2,832	221
Total Angus Share of Lead Partner Services	9,803	191

3.4 Family Health Services (FHS) Prescribing – The Strategic Financial Plan projected an overspend of up to c£2.000m (report 57/23). However, the current projection indicates a 2023/24 overspend of c£2.576m. As previous noted there continues to be a significant uncertainty in current prescribing projections as, due to national reporting issues, 2023/24 data is limited (i.e. there is currently a 4-month data delay), therefore prescribing volumes information remains uncertain while prices remain volatile.

At the June 2023 IJB meeting, the IJB requested a further update regarding the development of plans to demonstrate how prescribing costs could be more closely aligned to available resources. While work has commenced to develop plans, those plans largely remain in development stage and unquantified. This does partly reflect the challenging circumstances regarding prescribing. However, with an overspend of c£2.576m on a c£22.663m budget, this pressure is a significant one within the IJB as a whole and one that will, unless at least partially addressed, impact on the future delivery of other services within the IJB. As this is an outstanding action from previous IJB reports, no further recommendation is made here.

Separately, the IJB has previously requested updates from the regional Prescribing Management Group (PMG) regarding a series of complicated outstanding prescribing issues. These issues, as per the action points, largely remain unresolved. Some of these issues reflect the need to improve the governance of drugs transferring into primary care and approval of new drug treatments for Primary Care. While these issues remain unresolved, the regional PMG has continued to make decisions with resource implications. Given the outstanding governance improvement issues, and until the relevant governance issues are resolved on a regional basis, the IJB should recommend the Chief Officer review the current arrangements and take any necessary steps to improve the relevant governance arrangements from an Angus perspective including considering amending the current working arrangements with the regional PMG including and, potentially, reviewing the process for the approval of new drug treatments within Primary Care.

3.5 General Medical Services (GMS) and Family Health Services —In October 2023, NHS Tayside received the 2023/24 budgetary allocation to fund GMS (c£78m). Unfortunately, there are some uncertainties regarding this allocation which poses potential risk to all Tayside IJBs. Separately, a national assessment of the allocations indicates that they will leave Health Boards with a series of commitments that have not received an appropriate inflationary funding uplift.

This increases financial pressures on GMS budgets. Updates are currently being prepared for Primary Care management forums describing the financial planning position.

Separately, and as referenced in the last IJB Finance report, all three Tayside Partnerships have now agreed to review financial risk-sharing within Primary Care. This is being progressed through three routes: -

1. Developing an improved understanding of the Scottish Government budgetary allocations for Tayside.
2. Developing an improved understanding of the current commitments against the resources – e.g., in terms of GP contractual commitments.
3. Developing options for revising the financial risk-sharing arrangements considering both (a) and (b).

It has been previously agreed that any revised risk-sharing arrangements will be approved by the Chief Officer in conjunction with the Chief Finance Officer. It is likely any changes to arrangements may move financial risk towards Angus. However, interim working arrangements are already in place and Angus IJB is already absorbing an increased proportion of financial pressures.

The GMS (2C Practices) management team were previously requested to provide a financial recovery plan for approval by the IJB’s Executive Management Team by the end of October 2023. This was delayed due to capacity issues, but initial plans have now been received.

As previously noted, longer term risks remain regarding the challenges re General Practitioner recruitment, the introduction of the new GMS contract (IJB report 36/23) and the underlying growth in Premises costs including any implications from the Angus General Practice Premise Strategy (IJB report 35/23).

3.6 In Patient Mental Health Services - As the IJB is aware Inpatient Mental Health Services are currently operationally managed by NHS Tayside. However, resources do remain formally devolved to the IJB for Strategic Planning.

As noted previously in 2022/23 the service was overspent by c£4.940m with this overspend being supported by HSCPs. A financial recovery plan to address some of the pressures within the service is being developed but it is still currently expected that the regional financial pressures could be c£5.7m this year. While the overall issue of future unresolved financial risk sharing regarding In Patient Mental Health Services does continue to present a risk to the IJB, for 2023/24 it is expected that Angus IJB will contribute towards funding some of this regional overspend. Angus IJB continues to contribute to discussions working towards resolving these issues.

3.7 Large Hospital Services – As of April 2023 this budget was re-set at £9.811m based on 2022/23 activity and pricing levels.

Discussions are ongoing with NHS Tayside regarding developing a process to manage changes in volume of services 2023/24 and these outcomes will be shared with the IJB in due course.

As previously noted, while this report routinely refers to budget and costs, for Large Hospitals, activity is the key driver for financial reporting.

Table 2 below sets out provisional activity positions for the key Occupied Bed Days indicator for “Large Hospital” activity. (Note – there is still ongoing refinement of this data.)

Table 2	Occupied Bed Days				
	2019/20	2022/23	2023/24 (Projected)	2023/24 (Change)	2023/24 (%age Change)
Occupied Bed Days	16871	18579	18,905	326	1.8%

It is anticipated that, while activity is now above pre-COVID levels, it remains below activity levels at the point of the creation of the IJB. In future, the financial implications of these changes will be included with these reports.

ADULT SERVICES

3.8 **Angus Council Directed Services (Adult Services)** - Adult Services is projecting a year end over spend of c£0.352m. Key factors contributing to this are: -

- Physical Disability service continue to see an increase in both service users and high-cost packages resulting in a projected overspend of c£1.043m.
- Learning Disabilities service continue to see a rise in the number of complex high-cost packages for both residential and community placements, and new costs associated with the relocation of services users impacted by Storm Babet resulting in a projected overspend of c£0.621m. It is being explored whether costs associated with Storm Babet can be funded from alternative Scottish Government funding.
- As noted previously both Physical Disability and Learning Disability services continue to develop Improvement Plans which will review activity data to establish baseline budgets and future projected spends. However there has been limited formal feedback on these plans in recent months.
- Community Mental Health Services (Under 65s) continue to see an increase in the number of complex high-cost care packages to support service users stay in the community and high-cost residential placements. The service has completed a financial recovery plan for in year to address the financial overspend and work is progressing to proactively reduce the recurring overspend.
- The Community Joint Equipment Store is now projecting an overspend of £0.180m due to increases in price and number of service user and/or volume of equipment provision. The service management team are progressing with the development of a financial recovery plan, and this will be provided to the IJB's Executive Management Team by the end of December 2023.
- Older People services continue to commission a steady, but lower than budgeted, level of care home beds resulting in a projected under spend of c£0.800m.
- Demand for Care at Home services across all services continue to exceed the available capacity within the Partnership, it might be reasonable to assume additional annualised costs of up to c£0.800m if unmet need was fully delivered.
- Several service areas have unfilled vacancies linked to staff turnover and recruitment which has a consequent impact on service delivery.
- As previously requested by the IJB, work continues to progress within Older People services to review activity data with the intention of developing improved resource profiles which will include redefining how Older Peoples Services budgets are reported to the IJB in this report.

3.9 **Centrally Managed Budget** – The Centrally Managed budget continues to reflect previous progress with savings (as per the IJB's strategic financial plan). It is important to recall that the IJB's Strategic Financial Plan did anticipate recurring overspends (e.g. Prescribing, Adult Services) with offsetting under spends and funding elsewhere in the IJB. In an ideal world, and within an agreed Strategic Financial Plan, the IJB would be able to re-align some budgets to match funding more closely within agreed plans. However, with a series of unresolved issues within our budgetary framework, this is not currently possible.

4. **OUTLOOK POSITION**

4.1 **Progress with Strategic Financial Plan (Planned Interventions)** – On a regular basis information is provided to the IJB regarding progress with the delivery of the planned three-year savings, as detailed in Table 3 below.

Table 3 - Planned Interventions	FY 2023/24				FY 2024/25		FY 2025/26		Risk Assessment	Status
	Plan	Achieved	Projection	Shortfall	Target	Shortfall	Target	Shortfall		
	£m	£m	£m	£m	£m	£m	£m	£m		
Angus Care Model CM - Internal Care Home Review	0.100	0.100	0.100	0.000	0.000	0.000	0.000	0.000		Complete
Angsu Care Model - Nursing Care Home Review (Peripatetic Nursing)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	Reallocated	Management Teams have reviewed this saving and have now recommend this intervention is no longer progressed. IJB Management team have reallocated this target to EMT Review.
ACM - Psychiatry of Old Age Review	0.050	0.000	0.000	0.050	0.150	0.150	0.000	0.000		No update available – last update to SPG in August 2023. Next update TBC
EMT Reviews	0.340	0.340	0.340	0	0.800	0.350	0.690	0.690		Targets have been allocated directly to service areas in line with original assumption that these savings will be delivered through managerial efficiencies.
Supported Accommodation Review	0.100	0.100	0.100	0.000	0.000	0.000	0.000	0.000		Timing to be finalised
Learning Disability Improvement Plan	0.150	0.000	0.000	0.150	0.151	0.151	0.000	0.000		Management Team are revisiting these plans with a view to re-prioritise the actions in early 2024. Noting within PD, a service review has recently concluded regarding Glenloch which will impact on PD Improvement Plans.
Physical Disability Improvement Plan	0.100	0.000	0.000	0.100	0.100	0.100	0.000	0.000		
OOH Recovery Plan	0.015	0.015	0.015	0.000	0.015	0.000	0.000	0.000		Complete with respect to this target
Prescribing	0.050	0.000	0.000	0.050	0.100	0.100	0.100	0.100		Part of Prescribing Improvement Plan- Update still TBC as per IJB Action Points.
Total	0.905	0.555	0.555	0.350	1.316	0.851	0.790	0.790		
Projected % of Planned Interventions Achieved			61%							

It was agreed through the Chief Officer to apportion residual EMT Review savings across all service areas to deliver local managerial efficiencies. The 2023/24 EMT Review Saving target has also been amended to include the previous Angus Care Model Nursing Care Home Review proposal which was agreed by EMT would no longer progress. Consequently, the planned interventions achieved in the current year is now reflecting a 61% delivery. In year, non-recurring savings will offset the above shortfall.

However, the shortfalls associated with future years planned interventions (2024/25 and 2025/26) will significantly impact on the future re-iteration of the strategic financial plan.

4.2 Strategic Delivery Plan – As noted previously Angus HSCP Strategic Development Group has been established with the purpose to monitor progress with the delivery of the Strategic Commissioning Plan. It has been agreed Pentana will be the risk and performance management system used for monitoring all actions, including financial updates. So far there has been no confirmed progress with options to reduce spending levels associated with the plan.

4.3 Financial Planning and Recovery Actions - The IJB's Executive Management Team routinely review a series of outstanding financial planning and recovery actions. Many of these have been referred to in this or previous IJB finance reports. For some time, progress has been limited or slow against many of these actions. Key issues that require to be resolved through the IJB's Executive Management Team include: -

- Out of Hours financial recovery plan. (See section 3.2 above).
- Prescribing plans. (See section 3.4 above).
- General Medical Services (2C GP Practices) financial recovery plan. (See section 3.5 above).
- Learning and Physical Disability improvement plans delivery of planned intervention savings. – (See section 4.1 above).
- Older People baseline budget resource review. (See section 3.8 above, action from April 2022).
- Psychiatry of Old Age delivery of planned intervention. (See section 4.1 above).
- Internal Care Homes workforce review (referred to in report 57/23).
- Other current actions include progressing the review of Minor Illness and Injury provision in Angus and the recently requested recovery plans for Community Joint Store and Continence Services.

4.4 IJB Strategic Financial Plan - The IJB's workplan indicated an initial 2024/25 to 2026/27 Strategic Financial Plan would be presented to the IJB in December 2023. Partly due to timing of Scottish Government budgets, partly due to outstanding financial planning actions within the IJB and partly reflective of the timing of the IJB's Strategic Planning Group meetings, it has not been possible to produce an initial update for the December 2023 IJB meeting. However, an update has now been shared with the IJB's Strategic Planning Group (SPG).

In summary the update to the SPG noted: -

1. Challenges with the delivery of existing planned interventions and the consideration of alternative options.
2. A continued lack of content flowing through the Strategic Commissioning Plan/ Strategic Delivery planning process.
3. Challenges with the outstanding financial planning and recovery actions noted above.
4. A lack of clarity regarding budgetary settlements going into 2024/25.
5. Financial risks still unresolved within the IJB.
6. Increasing financial planning shortfalls by 2026/27, with limited capacity of the IJB's reserves to contain this overspend by that point.

4.5 IJB Reserves – Appendix 3 provides an update on the reserves position.

In addition, in October 2023, the Scottish Government provided guidance on how some historic Scottish Government funded reserves should, if applicable, be deployed to support wider system pressures. After local review, updates have now been made to the Expanding Care at

Home reserve. The IJB's "ear-marked reserve" plans may be updated further via the IJB's Executive Management Team to reflect this Scottish Government guidance. It is also possible that the Scottish Government may further review in-year funding streams associated with "ear-marked" reserves to ensure balances in IJB reserves are deployed in support of wider pressures.

5. FINANCIAL IMPLICATIONS

The IJB is reporting an overall under spend of c£2.522m, see Appendix 1. This contrasts with forecast overspends set out in the IJB's Strategic Financial Plan for 2023/24 which suggested an overspend of £3.327m with the main difference attributed to this movement being:

- Unfilled vacancies linked to staff turnover and recruitment challenges, as described above, totalling c£2.1m;
- Unfilled vacancies linked to staff turnover and recruitment challenges in Lead Partner Services just under c£0.4m (which includes the £0.191m underspend);
- Linked to timing of impact of financial planning provisions c£1.8m;
- Lower uptake of care home beds c£0.8m;
- Net effect of Unmet need within Care at Home services c£0.8m.

All projections are preliminary at this point and subject to multiple risks as noted above.

Separately, and after noting the Winter Planning update (report 75/23) at October's IJB meeting, in year, in year underspends do mean the IJB has the flexibility to support short-term resourcing issues that may emerge over the winter months and any need to do that would be progressed via Winter Planning groups and management forums.

6. RISK, GOVERNANCE AND REPORTING

- 6.1 Risk** - Angus IJB formally monitors its corporate risks through the Angus Clinical, Care and Professional Governance group. Appendix 2 details the current financial risk which has remained the same from that previously reported in October. Many of the finance risks are IJB wide risk including funding levels and risks regarding financial planning.

Risk Description	Failure to develop and implement a balanced financial plan will lead to a risk of unsustainable services.
Risk Category	Strategic
Inherent Risk Level	Likelihood 5 x Impact 5 = Risk Scoring 25 (very high-risk level). No change.
Mitigating Actions	Funding - Ongoing dialogue with NHST, Angus Council and, via national forums, Scottish Government. Resolve outstanding budget issues – Ongoing dialogue with NHS Tayside. Progress with Strategic Commissioning, Delivery and Financial Plans - Monitor via management forums and report to IJB regularly. Managing services within agreed budgets - Financial recovery plans may be requested from over-committed services.
Residual Risk Level	Likelihood 5 x Impact 4 = Risk Scoring 20 (very high-risk level). No change.
Planned Risk Level	Likelihood 4 x Impact 4 = Risk Scoring 16 (high-risk level). No change.
Approval Recommendation	Even with the progression of all agreed actions, this risk remains very high. Scheduled reporting and monitoring will continue alongside the further development of risk mitigation actions.

- 6.2 Governance** - As previously noted, there remain a few long-term financial governance issues. The IJB's Audit Committee is monitoring these but progress over recent years had been limited. A summary of the main issues is set out in Appendix 4.

7. PROPOSALS

The recommendations for approval in this report are set out in section 3.2 and Appendix 3.

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	

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List of Appendices:

Appendix 1: Angus Health and Social Care Partnership Financial Monitoring Report 2023/24

Appendix 2: Angus Health and Social Care Partnership Financial Risk Assessment 2023/24

Appendix 3: IJB Reserves 2023/24

Appendix 4: Financial Governance

Appendix 1 Angus Health and Social Care Partnership Financial Monitoring Report 2023/24

Angus Health & Social Care Partnership - Financial Monitoring Report 2023/24						
	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			6,073	179	6,073	179
Medicine For The Elderly			6,873	(11)	6,873	(11)
Minor Injuries + Illness Units			2,071	482	2,071	482
Community Nursing			7,341	(61)	7,341	(61)
Management & Admin	1,495	(199)			1,495	(199)
Care at Home	5,802	13			5,802	13
Intermediate Care	416	0			416	0
Community Support	871	16			871	16
Supported Accommodation	285	17			285	17
Internal Residential	4,457	0			4,457	0
Care and Assessment	30,814	1,598			30,814	1,598
Community Mental Health	1,974	357			1,974	357
Older Peoples Service	46,115	1,802	22,358	589	68,473	2,391
General Adult Psychiatry	4,389	(314)	4,154	242	8,543	(72)
Admin Community Support	3,146	102			3,146	102
Non Residential Care	8,986	(499)			8,986	(499)
Residential Care	6,568	(223)			6,568	(223)
Learning Disability(Angus)			670	27	670	27
Learning Disability	18,701	(621)	670	27	19,371	(594)
Physical Disabilities	5,802	(1,043)	0	0	5,802	(1,043)
Substance Use	1,553	(8)	1,658	(21)	3,211	(29)
Community Services						
Physiotherapy			2,816	12	2,816	12
Occupational Therapy	1,728	(84)	770	25	2,498	(59)
Joint Store	770	(180)			770	(180)
Anti-Coagulation			219	22	219	22
Primary Care			1,520	0	1,520	0
Angus 2c (gms) Services			687	(862)	687	(862)
Carers	774	0			774	0
Homelessness	1,387	86			1,387	86
Other Community Services			1,390	60	1,390	60
Community Services	4,658	(178)	7,402	(743)	12,060	(921)
Planning / Management Support						
Ijb Management	2,106	9	2,719	123	4,825	131
Planning / Management Support	2,106	9	2,719	123	4,825	131
Local Hospital and Community Health Services			38,961	216		
Lead Partner Services - Angus						
Forensic Service			1,158	(140)	1,158	(140)
Out of Hours			9,179	(1,288)	9,179	(1,288)
Speech Therapy (Tayside)			1,449	(9)	1,449	(9)
Locality Pharmacy			2,798	0	2,798	0
Tayside Continence Service			1,507	(257)	1,507	(257)
Hosted Services Centrally Managed Budget			1,505	46	1,505	46
Hosted Services Recharges to Other IJBs			(11,094)	1,201	(11,094)	1,201
Lead Partner Services in Angus	0	0	6,503	(446)	6,503	(446)
Lead Partner Services - Dundee/Perth	0	0	9,803	191	9,803	191
GP Prescribing			23,249	(2,651)	23,249	(2,651)
Other FHS Prescribing			(586)	75	(586)	75
General Medical Services			20,895	(21)	20,895	(21)
Family Health Services			16,325	22	16,325	22
In Patient Mental Health Services			0	0	0	0
Large Hospital Set Aside			9,811	0	9,811	0
Total	83,324	(352)	124,961	(2,615)	208,284	(2,967)
Centrally Managed						
Existing Commitments	5,548	3,608	351	1,881	5,899	5,489
Grand Total	88,872	3,256	125,312	(734)	214,184	2,522

Appendix 2 Angus Health and Social Care Partnership Financial Risk Assessment 2023/24

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.
Funding Assumptions			
Unresolved budget settlement issues with NHS Tayside (e.g. Large Hospital Set Aside, Inpatient Mental Health)	Medium	TBC (recurring)	See main report.
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 / risk sharing may be subject to reviews at regional or national level.	Medium	Not known	The level of funding Angus IJB receives from Partners could be subject to review.
Cost Pressures			
Prescribing – Local costs per weighted patient remain above national averages.	Medium	c£0.5m (recurring)	6 monthly reports to IJB and liaison with regional Prescribing Management Group.
Prescribing – National recommendation for the prescribing of new drugs in Primary Care is an additional burden.	Medium	TBC	Issues such as this will initially be considered via the Tayside Prescribing Management Group, but then will need IJB consideration.
Prescribing – Risk regarding funding for previously agreed drug transfer from secondary care to primary care.	Medium	£0.5m	While secondary to primary care drug transfers have been agreed, there are now uncertainties regarding associated funding agreements.
Prescribing – New Opiate Substitution Treatments may require funding support.	Medium	TBC	Developing situation with short term Scottish Government supporting this.
Workforce - Reviews of Safe Staffing issues re Health and Care (Staffing) (Scotland) Act and review of healthcare tasks in community setting.	Medium (Future years)	Not known	Issues remain under consideration. Potential longer-term risk.
Workforce - Community Nursing – Job re-evaluations may require reworking of workforce models.	Low	TBC	Current expectations are that any impact will be contained through workforce re-modelling.
Workforce - Recruitment issues may have a knock-on effect on IJB costs beyond service delivery issues.	Medium	c£500k + (recurring)	The IJB faces a number of workforce issues (e.g. General Practice, Independent Sector) and requires good workforce planning to mitigate these risks.
Staff Pay Inflation.	Medium	TBC	NHS Scotland has agreed Agenda for Change pay award. However SG has yet to fully fund these and there is a potential risk fully in the current climate funded may be reduced.
Demographic Pressures – e.g. in Older People Services reflecting population changes	Medium (Future years)	c£1.0m+ (recurring)	Growth not funded in IJB plans and any issues of ongoing growth will be a continued IJB risk.
Ongoing inflation pressures re the National Care Home Contract.	Medium (Future years)	Not known	2023/24 pressure allowed for in plans, but long-term risks remain.
Primary Care Improvement Fund	Medium	Not known	2023/24 position allowed for in plans, but long-term risks remain.
Corporate Support (e.g. Property)	Medium	Not known	Some progress made; examples of current risks include Property. 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.
Challenges in the delivery of General Dental Services nationally and locally.	Medium	TBC	The current expectation is that the responses to these challenges will be financially neutral to Angus IJB and IJBs across Tayside, with an assumption that any additional funding will be provided by the Scottish Government.
Planned Interventions			
Some IJB savings programmes behind schedule. Reviews will be required.	High	Up to £1.0m (recurring)	See main report.
Other			
National Care Service	Low	TBC	There may be implications for funding arrangements or managing issues such as changes to "Charging" arrangements. At this time the pace of change associated with NCS is uncertain.

Appendix 3: IJB Reserves 2023/24

There has been minimum movement against the IJB Reserve position previously reported in October 2023 (report 70/23) except for the recommendation below.

At the start of 2023/24, and reflecting the outturn of previous financial years, the IJB held two reserves totalling a value of £4.128m, that do need to be reviewed: -

- 1) Financial Planning Reserve 2022/23 - £1.090m
- 2) Financial Planning Reserve 2023/24 - £3.038m.

In creating these reserves in April 2022 and April 2023, the IJB noted that the IJB could consider returning some of these reserves to the IJB's Partners (Angus Council and NHS Tayside) alongside considering the emerging financial risks within the IJB.

As described in this report the IJB is forecast to underspend in this financial year. The IJB also needs to consider its financial position in the context of that of its Partners and in the context of the IJB's obligation to work towards delivering the IJBs Strategic Commissioning Plan on a sustainable basis. While IJB reserves can support the delivery of the Strategic Commissioning Plan, they should not be overly relied on to support ongoing costs, to allow the IJB to defer difficult decisions or to overly influence short term planning. Report 70/23 (October 2023) set out proposals regarding these reserves and in-year underspends and, after discussion, the IJB agreed that proposals could be developed and submitted back to the IJB regarding reserves and in-year underspends.

With that in mind, and replicating the IJB's commitments of October 2022, but also acknowledging the risks faced by the IJB, it is now proposed the IJB recognise the whole system pressures that exist within the IJB's partners (Angus Council and NHS Tayside) and the wider system in Tayside and take an incremental approach and support those whole system pressures within Partners through the deployment of 50% of the funding within these two reserves (i.e. £2.064m of £4.128m. i.e. not the whole reserve).

In considering the option to transfer funds back to Partners, the IJB will be conscious of the 2022 revised Integration Scheme whereby should the IJB overspend in future years, then the IJB would have to repay any additional funding to its Partners. The IJB will also be aware that there remain some unresolved funding issues with NHS Tayside, and that some pressures within Partners are more closely aligned with the priorities and strategic direction of Angus IJB (e.g. capital commitments, Unscheduled Care programmes). Any final agreement would generally be contingent on a small number of factors (e.g., that other arrangements with Partners are appropriately in place – e.g., funding agreements).

Recommendation - It is now proposed that the IJB devolve authority to the IJB Chief Officer and Chief Finance Officer, in conjunction with the IJB's Chair and Vice Chair to develop further and action this proposal regarding deploying £2.064m of these reserves to support whole system pressures within the IJB's Partners and the wider system in Tayside with an expectation that this will result in a transfer of reserves back to the IJB's Partners. The outcome of any considerations would be shared with the IJB at future meetings. As the IJB approaches the year end, further adjustments of this type may need to be considered by the IJB.

Appendix 4: Financial Governance

With respect to governance issues, there are several 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 commentaries 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	Limited Progress - See separate IJB report (81/20) – 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 7 years.	The lack of progress undermines the IJB's ability to fully direct resources within the IJB's Strategic Plan. Noting that pre-COVID 19 information did suggest Angus had reduced its use of Acute Services since the inception of Integration. Information during 2022/23 did suggest Acute Services activity had risen post-COVID 19.	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 update report to the June 2021 IJB (17/21). As noted in the main report, discussions will progress with NHS Tayside during 2023/24 regarding an alternative way of considering activity associated with these resources in line with the preliminary agreement reached with NHS Tayside regarding a process to manage changes in volumes of services used.
Development of improved Lead Partner Services arrangements in conjunction with neighbouring IJBs	Limited Progress – This requires proportionate improved coordination between all 3 IJBs. This is assumed to be an area where improvement actions will be taken forward on a priority basis over the coming months in early 2023/24.	The lack of progress undermines the IJB's ability to fully direct resources within the IJB's Strategic Plan.	CO/CFO - IJB intends to develop a consolidated information set regarding locally Lead Partner Services covering Finance, Performance and Risks.	Work has progressed with governance and financial reporting. It is anticipated that updates to the next Audit Committee will be able to confirm this work is substantially complete.
Review of Information Governance Strategy	The IJB has an outstanding action to review its 2019-2022 Information Governance Strategy.	While the previous strategy is still in place, the lack of an updated Information Governance Strategy undermines overall Information Governance within the IJB.	CO – Through the IJB's Clinical Care and Professional Governance groups, to review and update the Strategy	The IJB has been working on an update of this document to reflect the role of the IJB. It is anticipated that a review will be completed over the coming months. An update was provided to the IJB Audit Committee in August 2023.

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 issues can be affected by capacity constraint.