



ANGUS HEALTH AND SOCIAL CARE
INTEGRATION JOINT BOARD – 21 FEBRUARY 2024
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 March 2024 for Integrated Mental Health Service and by the end of April 2024 for both Integrated Substance Use and Integrated Occupational Therapy Service setting out how the services will be brought back to recurring financial balance in 2024/25;
- (iii) Confirm that agreement on an Angus IJB contribution to regional In-Patient Mental Health overspends for 2023/24 is made by the Chief Officer in conjunction with the Chief Finance Officer and the Chair and Vice Chair of the IJB;
- (iv) Support the Reserves proposals as set out in Appendix 3 (see Further Reserves Proposals);
- (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 December 2023, including NHS Directed Services and Angus Council Directed Services.

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.

Board members should also be reminded that throughout the year, the IJB Finance reports reflect "management accounting" information for management purposes. The IJB's final year end position will be reported from both a "management accounting" perspective in IJB reports and, in the IJB's published annual accounts, from a "financial accounting" perspective. The latter has a different treatment for some transactions - specifically regarding reserves and needs to be seen independently from the IJB's management 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£3.486m.

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£0.553m. 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.
- Psychiatry of Old Age services continue to incur the costs associated with Angus patients boarding in non-Angus hospitals due to the non-operational ward (Prosen) in Angus. In recent months the number of such patients have declined.
- Medicine for the Elderly service is projecting an overspend with the service using higher levels of staffing linked to higher nursing absence levels, and an increase in overnight staffing levels required on the ward to deliver safe patient care due to ward environmental conditions. Both issues are monitored by Management.
- Community Nursing wound management product costs are rising. The service is reviewing this position.
- Substance Use service is projecting an overspend against Buvidal drug cost, and the service is reviewing how this can be contained within available resource requirements. It is recommended that the service management team develop a financial recovery plan for approval by the IJB's Executive Management Team by the end of April 2024 setting out how the drug spend will be brought back to financial balance in 2024/25.
- As previously reported the financial exposure associated with Angus 2C GMS Practices is c£0.890m 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£0.492m for the Angus share of these costs whilst there is some offsetting funding locally to support these costs. Key point to note includes: -

- As previously reported, the Out of Hours (OOH) Service has seen changes in 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. Whilst some improvement actions have been completed, the service is forecasting an in year overspend position of £1.491m and a recurring forecast position of c£1.400m of an over commitment. The financial recovery plan, originally requested in December 2022, is being finalised and will be presented to the Executive Management Team in February 2024.
- 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£0.129m.
- Tayside Continence Service is forecasting an overspend of c£0.245m driven by contractual price increases and patient growth. A financial recovery plan is being developed and will be presented to the Executive Management Team in February 2024.

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£0.373m, as detailed in Table 1 below. The main factor to note is: -

- Increased pressures continue against Palliative Care, Brain Injury and Dietetics Services offset by a range of service under spends mainly relating 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	7,818	(307)
Brain Injury	2,048	(75)
Sexual & Reproductive Health	2,558	120
Psychological Therapies	8,128	305
Dietetics (Tayside)	4,013	(110)
Other Services in Dundee	2,057	494
Grand Total	26,622	428
Angus Share (27.1%)	7,215	116
Angus Share of Lead Partner Services in Perth		
Podiatry (Tayside)	3,695	409
Prison Health Services	4,888	102
Public Dental Service	2,671	479
Other Services in Perth	48	(39)
Grand Total	11,301	950
Angus Share (27.1%)	3,063	257
Total Angus Share of Lead Partner Services	10,277	373

3.4 Family Health Services (FHS) Prescribing – The year end forecast position is slightly higher than the financial plan, projecting an overspend of c£2.082m. This position has improved by c£0.5m from previous projections. This stepped change reflects the resolution of some reporting issues which has allowed the IJB to confirm that some more recent costs have not been as high as originally projected. However, with that said, there continues to be a significant uncertainty in current prescribing projections as, due to national reporting issues, the data is three-months behind, and prescribing volume information remains uncertain while prices remain volatile.

Separately, in June 2023, the IJB requested a further update regarding the development of plans to demonstrate how prescribing costs could be more closely aligned to available resources. An update has been provided to the February 2024 IJB meeting. The plans reflect the challenging circumstances regarding prescribing and while they describe action being taken forward, they do not yet quantify the likely impact of those actions. Given the scale of prescribing overspends, this issue is one that will, unless at least partially addressed, impact on the future delivery of other services within the IJB.

Separately, the IJB has previously requested updates from the regional Prescribing Management Group (PMG) regarding a series of complicated outstanding prescribing issues. At the time of writing this report, these issues largely remain unresolved. In line with the recommendation at the December IJB meeting, the Chief Officer is progressing any necessary steps to improve governance regarding these issues from an Angus perspective. This may involve liaison with other IJBs in Tayside to ensure a degree of regional consistency.

3.5 General Medical Services (GMS) and Family Health Services – As previously reported, there remain some uncertainties regarding GMS funding allocations which pose a small potential risk to all Tayside IJBs. For 2023/24, it is already clear that there are a series of commitments that have not received an appropriate inflationary funding uplift. This increases financial pressures on GMS budgets. Updates are in the process of being prepared for, and shared with, Primary Care management forums describing the financial planning position.

As previously reported, all three Tayside partnerships have agreed to review the financial risk sharing for Primary Care. Interim working arrangements are in place and Angus IJB is already absorbing an increased proportion of financial pressures. This remains work in progress and an update on the outcome of this review will be shared with the IJB in due course.

As previously noted, the GMS (2C Practices) management team were requested to provide a financial recovery plan for approval by the IJB's Executive Management Team by the end of October 2023. However, this was delayed due to capacity issues. Two of three (GP practices) financial recovery plans have been presented to the Executive Management Team in February 2024.

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.

While a financial recovery plan to address some of the pressures within the service has been developed, it is still currently expected that the regional financial pressures could be c£5.5m this year. The issue of unresolved future financial risk sharing regarding In Patient Mental Health Services continues to present a medium-term risk to the IJB. Through the IJB’s Chief Officer and Chief Financial Officer, and with input from Angus Council’s Chief Executive, Angus IJB continues to participate in constructive senior-level discussions with NHS Tayside and other IJBs aimed at resolving these issues.

Due to timing within the financial year, it is necessary for all 4 parties to reach an early agreement about how 2023/24 overspends will be funded as a stepping-stone to resolving longer-term issues. For now, it is envisaged that Angus IJB will contribute a near population-based share of funding towards resolving the 2023/24 position. Part of this contribution will be managed from the in-year position and part of the contribution will be, as previously envisaged, funded from the utilisation of the IJB’s Mental Health Reserve. Due to the timing imperative, it is a recommendation of this report that the details of the final agreement to contribute to In Patient Mental Health overspends is made by the Chief Officer in conjunction with the Chief Finance Officer and the Chair and Vice Chair of the IJB.

Given the interim nature of the proposed 2023/24 funding arrangements, it is expected that the 4-way discussions noted above will provide early clarity regarding future years. An update on progress with this will be provided to the IJB in August 2024.

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.

As previously reported, 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.

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.)

The latest projections suggest an increase in activity, particularly compared with Pre-COVID-19 (17%), with consequent resource implications.

Table 2	2019/20	2022/23	2023/24 (Projected)	2023/24 (Change from prior year)	2023/24 (%age Change)
Occupied Bed Days	16871	18579	19,749	1,170	6.3%

ADULT SERVICES

3.8 Angus Council Directed Services (Adult Services) - Adult Services is projecting a year end over spend of c£0.469m. Key factors contributing to this are: -

- Physical Disability service costs are continuing to see an increase in both service users and high-cost packages resulting in a projected overspend of c£1.157m.
- Learning Disabilities service has seen a reduction in the forecast position to £0.423m overspend linked to a decrease in care packages. Confirmation has been received that the Scottish Government will fund the costs associated with Storm Babet.

- 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, with these costs being managed in year through non-recurring funding. The service is developing a financial recovery plan to address the recurring financial overspend, and it is recommended that the service management team develop this plan for approval by the IJB's Executive Management Team by the end of March 2024 setting out how the service will be brought back to financial balance in 2024/25.
- The Community Joint Equipment Store is projecting an overspend of £0.180m due to increases in price and number of service user and/or volume of equipment provision. The management team were previously requested to provide a financial recovery plan for approval by the IJB's Executive Management Team by the end of December 2023. After initial feedback, a further update is expected before the next IJB meeting.
- Occupational Therapy service is now projecting an overspend of c£0.121m due to both an increase in demand and price of adaptations. It is recommended that the service management team develop an Integrated Occupational Therapy service financial recovery plan for approval by the IJB's Executive Management Team by the end of April 2024 setting out how the service will be brought back to financial balance in 2024/25.
- 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£0.9m.
- 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£0.9m 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, there has been some progress made to the review of the Older People's Services and resource requirements. Work continues 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. Similar reviews still need to be progressed to determine realistic and affordable resource frameworks for both Learning and Physical Disability Services.

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 more closely match funding with agreed plans (e.g. for Disability Services, Older Peoples Services and Prescribing). 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) – Table 3 provides an update on progress with the delivery of the planned three-year savings.

In the current year the planned interventions achieved reflects a 61% delivery. In year, non-recurring savings will offset the above shortfall.

The shortfalls associated with the 2023/24 to 2025/26 planned interventions will significantly impact on the Strategic Financial Plan with the residual gap being captured in the new 3-year Strategic Financial Plan.

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 - Internal Care Home Review	0.100	0.100	0.100	0.000	0.000	0.000	0.000	0.000		Complete
Angus 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 agreed this intervention is no longer progressed. IJB Management team have reallocated this target to EMT Review.
Angus Care Model - Psychiatry of Old Age Review	0.050	0.000	0.000	0.050	0.150	0.150	0.000	0.000		Refer to Strategic Financial Plan Report 57/23 which proposes the removal of the original saving due to demands of the service.
EMT Reviews	0.340	0.340	0.340	0	0.800	0.350	0.690	0.690		Refer to Strategic Financial Plan Report 57/23 – in future years proposal to re-label these savings as Managerial (Service Lead) Savings and scale back the target.
Supported Accommodation Review	0.100	0.100	0.100	0.000	0.000	0.000	0.000	0.000		Complete
Learning Disability Improvement Plan	0.150	0.000	0.000	0.150	0.151	0.151	0.000	0.000		Refer to Strategic Financial Plan Report 57/23 which proposes the removal of the original savings for Learning and Physical Disability and focus on the service resource requirements.
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		Due to data issues, it has been difficult to confirm delivery of these savings. However, despite significant overall overspends, several projects have been progressed and the delivery of these savings can be confirmed.
Total	0.905	0.555	0.555	0.350	1.316	0.851	0.790	0.790		
Projected % of Planned Interventions Achieved			61%							

4.2 IJB Strategic Financial Plan – A report on the draft three-year Strategic Financial Plan is provided separately to the February 2024 IB.

4.3 IJB Reserves – Appendix 3 provides an update on the reserves position including a number of recommendations.

5. FINANCIAL IMPLICATIONS

5.1 The IJB is reporting an overall under spend of c£3.486m, 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. The main difference to the plan is consistent to that described in IJB Finance report 81/23 and include:

- Unfilled vacancies linked to staff turnover and recruitment challenges, as described above, totalling c£2.5m;
- Unfilled vacancies linked to staff turnover and recruitment challenges in Lead Partner Services just under c£0.5m
- Linked to timing and scale of impact of financial planning provisions c£1.8m;
- Lower uptake of care home beds c£0.9m;
- Net effect of Unmet need within Care at Home services c£0.9m.

5.2 In many of these cases, it is assumed that costs not incurred this year will be incurred in future years. As part of the IJB’s next iteration of the Strategic Financial Plan, further work should be undertaken to see if any of the above underspends can be embedded in future planning. This will be taken forward as a financial recovery action.

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

6. RISK, GOVERNANCE AND REPORTING

6.1 Risk – Angus IJB formally monitors its corporate risks through the Angus Clinical, Care and Professional Governance group. The 3-year Strategic Financial Plan report provided separately to the February 2023 IJB provides a summary of financial risks. Many of the finance risks are IJB wide risks 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 RiskLevel	Likelihood 5 x Impact 5 = Risk Scoring 25 (very high-risk level). No change.
Mitigating Actions	Funding - Ongoing dialogue with NHS Tayside, Angus Council and, via national forums, Scottish Government. Resolve outstanding budget issues – Ongoing dialogue with NHS Tayside. Progress with Strategic Commissioning, Delivery and Financial Recovery Plans alongside Service Reviews- 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 ideally progress over recent years would have been quicker and more comprehensive. 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 sections 3.1, 3.6, 3.8 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: IJB Reserves 2023/24

Appendix 3: 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			6,113	277	6,113	277
Medicine For The Elderly			7,004	(160)	7,004	(160)
Minor Injuries + Illness Units			2,071	490	2,071	490
Community Nursing			7,652	43	7,652	43
Management & Admin	1,594	(201)			1,594	(201)
Care at Home	6,091	(5)			6,091	(5)
Intermediate Care	416	0			416	0
Community Support	871	16			871	16
Supported Accommodation	332	1			332	1
Internal Residential	4,834	14			4,834	14
Care and Assessment	30,978	1,560			30,978	1,560
Community Mental Health	2,048	381			2,048	381
Older Peoples Service	47,164	1,765	22,840	650	70,004	2,415
General Adult Psychiatry	4,513	(406)	3,969	391	8,482	(15)
Admin Community Support	3,423	68			3,423	68
Non Residential Care	9,095	(236)			9,095	(236)
Residential Care	6,702	(255)			6,702	(255)
Learning Disability (Angus)			670	102	670	102
Learning Disability	19,219	(423)	670	102	19,889	(321)
Physical Disabilities	5,782	(1,157)	0	0	5,782	(1,157)
Substance Use	1,594	10	1,669	(96)	3,263	(86)
Community Services						
Physiotherapy			2,880	10	2,880	10
Occupational Therapy	1,827	(121)	770	38	2,597	(83)
Joint Store	770	(180)			770	(180)
Anti-Coagulation			219	21	219	21
Primary Care			1,550	40	1,550	40
Angus 2c (gms) Services			687	(890)	687	(890)
Carers	774	0			774	0
Homelessness	1,427	66			1,427	66
Other Community Services			1,397	100	1,397	100
Community Services	4,797	(235)	7,503	(681)	12,300	(916)
Planning / Management Support						
Ijb Management	364	33	2,158	155	2,522	188
Improvement And Development	1,786	(56)	568	32	2,354	(24)
Planning / Management Support	2,150	(23)	2,726	187	4,876	164
Local Hospital and Community Health Services						
			39,377	553		
Lead Partner Services - Angus						
Forensic Service			1,160	(129)	1,160	(129)
Out of Hours			9,194	(1,491)	9,194	(1,491)
Speech Therapy (Tayside)			1,449	0	1,449	0
Locality Pharmacy			3,044	0	3,044	0
Tayside Continence Service			1,552	(245)	1,552	(245)
Hosted Services Centrally Managed Budget			107	47	107	47
Hosted Services Recharges to Other IJBs			(12,022)	1,324	(12,022)	1,324
Lead Partner Services in Angus	0	0	4,484	(492)	4,484	(492)
Lead Partner Services - Dundee/Perth						
	0	0	10,277	373	10,277	373
GP Prescribing			23,249	(2,102)	23,249	(2,102)
Other FHS Prescribing			(586)	20	(586)	20
General Medical Services			20,945	(55)	20,945	(55)
Family Health Services			16,325	24	16,325	24
In Patient Mental Health Services			0	0	0	0
Large Hospital Set Aside			9,811	0	9,811	0
Total	85,220	(469)	123,882	(1,679)	209,102	(2,148)
Centrally Managed						
Existing Commitments	3,766	3,968	2,722	1,666	6,488	5,634
Grand Total	88,986	3,499	126,604	(14)	215,590	3,486

Appendix 2: IJB Reserves 2023/24

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.

Contingency Reserves – The IJB holds a contingency reserve of £6.450m (3% 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 contingency reserves would be required to offset any in year overspend. This would only provide short term relief to ongoing financial pressures.

Ear-marked Reserves – Evolving financial plans exist for each reserve to ensure this funding is mobilised effectively in a way that meets Scottish Government criteria, is sustainable and delivers good value for money. It should be noted that "ear-marked reserves" linked to Scottish Government funding must be used in line with specific criteria.

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

Strategic Plan Reserve – Opening value at April 2023 - £2.790m; This resource is managed over the duration of the new Strategic Commissioning Plan to March 2026 and is overseen by the Strategic Planning Group (SPG).

Financial Planning Reserve 2022/23 – Opening Value at April 2023 - £1.090m

Financial Planning Reserve 2023/24 – Opening Value at April 2023 £3.038m

Collectively 50% (£2.064m) of the Financial Planning Reserves have been used to support whole system pressures within the IJB's partners. This is as described in report 81/23 with £0.784m and £1.280m being passed back to Angus Council and NHS Tayside respectively, after discussions with the IJB Chair and Vice Chair. This leaves a balance of £2.064m within the Financial Planning Reserves.

Property Reserve – £3.300m. This reserve was created via report 26/22 to "support future property and accommodation commitments with intention of releasing revenue funds to support the IJB's Strategic Financial Plan..." and it has subsequently been noted this reserve could also be used flexibly to support some strategic aspects of the IJB's Primary Care Premises Strategy.

Primary Care Investment Reserve – £0.700m. This reserve has been created as per previous report (66/22) which noted the reserve was created to "support future primary care investment funds".

Mental Health Recovery Financial Reserve – £2.000m. This reserve has been created per report (27/23).

Further Reserves Proposals

- 1) With regard to the balance of the Financial Planning Reserves (£2.064m) it is now proposed that this is managed as follows: -
 - a) £0.900m of this is set aside to create a Workforce Reserve to support one of the IJB's key strategic risk over the coming years through the continued implementation of the three-year workforce plan (as described in report 36/22 and associated annual updates) and to help manage any future in-year service pressures associated with workforce issues.
 - b) The balance of the Financial Planning Reserves (£1.164m) is considered in a similar manner to what was suggested in December 2023 in 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 proposals to transfer £1.164m of Financial Planning Reserves to support whole system pressures within the IJB's Partners and the wider system in Tayside. This option reflects the point in the financial year the IJB is at with any decisions being reported back to future IJB meetings.
- 2) In respect to the IJB's projected in-year underspend, it is formally recommended now that c£0.450m of that underspend is set aside to allow the IJB to increase its Contingency Reserve (which the IJB's Reserve's Policy indicates is set at 3% of turnover) to reflect a c£15m increase in turnover from previous years.

Table 4 Angus IJB Reserves	Reserves Opening Balance April 2023	Change in Year	Closing Balance March 2024	Additional Comment (including commentary regarding deployment of funds)
	£k	£k	£k	
General Fund Balance (Usable Reserve) -General Reserve	6,450	0	6,450	Per Reports (91/22 & 2/23)
General Fund Balance (Ear-Marked Reserves)(Local)				
Strategic Plan Reserve	2,790	(331)	2,459	Per Report 66/22
Financial Planning Reserve 2022/23	1,090	(1,090)	0	Redistribution of £2.064m to IJB Partners – see above
Financial Planning Reserve 2023/24	3,038	(974)	2,064	
Property Reserve	3,300	0	3,300	Per Report 25/22
Local Primary Care Investment Reserve	700	0	700	Plans are being developed with intention to spending these funds in 2024/25
Mental Health Recovery Financial Reserve	2,000	(41)	1,959	Per Report 66/22. This reserve may be used to support in-year In Patient Mental Health pressures.
	12,918	(2,436)	10,482	
General Fund Balance (Ear-Marked Reserves) (Scottish Government Funding)				
Primary Care Improvement Fund	137	(137)	0	Re-evaluating service models.
Mental Health Action 15	166	(166)	0	Plans developed
Primary Care Transformation Fund	190	(17)	173	Plans being developed, with spend scheduled for future years.
Primary Care Premises	245	0	245	
Alcohol & Drug Partnership Fund	59	(59)	0	Plans are evolving.
Forensic Medical Services	8	(8)	0	Complete
Drug Death Task Force	44	(13)	31	Plans developed
Community Living Change	332	(104)	228	Plans being developed. However likely unused funds will be returned to SG.
Workforce Wellbeing Primary and Social Care	30	(9)	21	Plans being developed
Mental Health Facilities Project	324	(102)	222	Plans being developed, with spend to materialise in future years.
General Dental Services	109	0	109	Plans developed
Community Nursing Neurological Care	41	(41)	0	Complete
Dementia Post Diagnostic Support	9	(9)	0	Complete
Unscheduled Care	42	0	42	Plans developed
Expanding Care at Home	340	(340)	0	Actioned
Learning Disability Health Checks	43	30	73	Plans evolving, aligned to tayside model.
Realistic Medicine - GMS	15	0	15	Plans developed, remaining spend planned in May/June 2024
Carers PPE Reserve	3	0	3	Plans being developed
Long COVID Support Fund	59	0	59	Plans developed
	2,196	(975)	1,221	
Total General Fund Balance (Ear-Marked Reserves)	15,114	(3,411)	11,703	
Total General Fund Balance	21,564	(3,411)	18,153	

Appendix 3: 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.	Financial reporting is complete. Whilst other elements are work in progressing.
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 majority of actions in the previous Information Governance Strategy have now been completed. A new Information Governance Model was proposed and agreed in December 2023 and formal discussion will now commence with Angus Council and NHS to take this forward.

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.