

*Scottish Borders Health & Social Care
Integration Joint Board*



Meeting Date: 28 July 2021

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MONITORING OF THE HEALTH AND SOCIAL CARE PARTNERSHIP BUDGET 2020/21 AT 31 MARCH 2021	
Purpose of Report:	The purpose of this report is to update the IJB on the year end outturn position of the Health and Social Care Partnership (H&SCP) for 2020/21.
Recommendations:	The Health & Social Care Integration Joint Board is asked to: <ul style="list-style-type: none"> a) Note the final outturn position for the Partnership for the year to 31 March 2021; b) Note that the Health and Social Care partnership under-spent by £6.236m during the financial year relating entirely to slippage in the use of ring-fenced funding and planned investments, in addition to unutilised funding allocations for Covid-19 costs and that this has been carried forward to 2021/22 as part of the IJB earmarked reserve; c) Note that the outturn position includes additional funding vired to the Health and Social Care Partnership during the financial year in order to meet previously reported pressures across health and social care functions from managed efficiency savings within other non-delegated health board and local authority services.
Personnel:	There are no resourcing implications beyond the financial resources identified within the report.
Carers:	N/A
Equalities:	There are no equalities impacts arising from the report.
Financial:	No resourcing implications beyond the financial resources identified within the report. The report draws on information provided in finance reports presented to NHS Borders and Scottish Borders Council.
Legal:	Supports the delivery of the Strategic Plan and is in compliance with the Public Bodies (Joint Working) (Scotland) Act 2014 and any consequential Regulations, Orders, Directions and Guidance.
Risk Implications:	To be reviewed in line with agreed risk management strategy. The key risks outlined in the report form part of the draft financial risk register for the partnership.

Background

- 2.1 The report relates to the final outturn position on both the budget supporting all functions delegated to the partnership (the “delegated budget”) and the budget relating to large-hospital functions retained and set aside for the population of the Scottish Borders (the “set-aside budget”).
- 2.2 The outturn position is based on the available information presented to Scottish Borders Council and the Board of NHS Borders. It highlights the key areas of financial pressure experienced during the financial year, together with how a combination of additional funding from the Scottish Government, under-spends on core operational services as a result of activity reductions during the Covid-19 pandemic and the transfer of resource by both partner organisations into delegated services, has mitigated these areas of pressure.

Overview of Outturn Position at 31 March 2021

- 3.1 The paper presents the consolidated financial performance for the financial year to 31 March 2021. For both 2020/21 and 2021/22 financial years, the Health and Social Care Partnership approved its Financial Plan and Budget prior to the 1st April (2021/22 was approved at its meeting of 24th March 2021).
- 3.2 The Partnership reported an under-spend position of £6.236m against the Delegated Budget at 31 March 2021. This under-spend related to ring-fenced funding received by NHS Borders and slippage in service developments and cost pressures which have been carried forward to 2021/22. In order to achieve this however, additional allocations from each funding partner were required during the year and at year end to deliver a break even position overall. At the 31 March 2021, the additional allocations made were:

£'000	
Additional Allocations Delegated by Partners at 31 March 2021	
NHS Borders	3,925
Scottish Borders Council	93
	4,018

- 3.3 The reported position across delegated functions is summarised below:

<i>Delegated Functions Total</i>	Base Budget	Revised Budget	Actual Outturn	Outturn Variance
	£'000	£'000	£'000	£'000
Joint Learning Disability Service	20,139	20,612	20,877	(265)
Joint Mental Health Service	18,144	19,471	19,152	319
Joint Alcohol and Drug Service	390	757	757	0
Older People Service	25,195	23,413	23,841	(428)
Physical Disability Service	2,458	2,644	2,646	(2)
Prescribing	23,130	23,132	22,660	472
Generic Services	77,437	87,787	85,665	2,122
NHSB / SBC Additional Contribution	0	4,018	0	4,018
	166,893	181,834	175,598	6,236

- 3.4 During 2020/21 functions delegated to the Partnership experienced a range of budgetary variances. Drivers for this included:
- Increased demand for social care, both residential and at home, as a result of an increased number of older people requiring care and support, particularly in the 75-84 and 85+ age cohorts;
 - Additional direct costs of mobilisation to deal with the Covid-19 pandemic and subsequent remobilisation;
 - Additional social care clients transitioning from Children and Families (a service which is not delegated to the IJB) to Adult Health and Social Care services;
 - Non-delivery of planned Financial Planning savings across both Health and Social care functions delegated to the Partnership, only partly as a result of the Covid-19 pandemic;
 - A downturn in expenditure levels due to the reduction in or pausing of normal service activity during key periods of 2020/21;
 - Additional investment requirements as the Partnership strives to deliver its Health and Social Care transformation programme workstreams.
- 3.5 Additional funding allocations were made by the Scottish Government during the year to mitigate the net financial pressures above. Additional contributions also required to be made by partners to deliver the reported position. At the end of the financial year, £0.093m of corporate support was provided to Health and Social Care functions by Scottish Borders Council and £3.925m of additional support was provided by NHS Borders. This additional budget delegated was primarily available as a result of under-spends and additional funding allocations across non-delegated Health and Social Care functions.
- 3.6 Legislation sets out that Integration Authorities are responsible for the strategic planning of hospital services most commonly associated with the emergency care pathway along with primary and community health care and social care.
- 3.7 In relation to the Large Hospital Budget Retained by NHS Borders and Set-Aside, an over-spend position has been reported by NHS Borders at 31 March 2021, summarised as:

<i>Set Aside Healthcare Functions</i>	Base Budget £'000	Revised Budget £'000	Actual Outturn £'000	Outturn Variance £'000
Accident & Emergency	2,830	3,132	3,634	(502)
Medicine of the Elderly	6,230	7,099	6,401	698
Medicine & Long-Term Conditions	15,660	16,385	16,819	(434)
Planned Savings & Actions	(1,090)	(1,090)	0	(1,090)
	23,630	25,526	26,854	(1,328)

- 3.8 In terms of the Healthcare budget retained by NHS Borders and set-aside, the IJB directed £25.526m to NHS Borders in 2020/21. During the financial year, NHS Borders spent £26.854m, resulting in an over-spend of (£1.328m) within these Health Board functions. The over-spend position remains the responsibility of NHS Borders and as a result, has been absorbed within the overall health board financial position

at outturn. The Health and Social Care partnership therefore is reporting a breakeven position at outturn summarised as:

<i>Set Aside Healthcare Functions</i>	Base Budget £'000	Revised Budget £'000	Actual Outturn £'000	Outturn Variance £'000
IJB-directed Set-Aside Functions	23,630	25,526	25,526	0
	23,630	25,526	25,526	0

- 3.9 The IJB approved its Reserves Policy in 2016/17. In 2020/21, the policy was again applied in order that the Health and Social Care Partnership may carry forward funding. This relates to ring-fenced funding allocations to NHS Borders, unspent Older People's Change Fund and Transformation Fund balances and uncommitted Covid-19 funding allocations.
- 3.10 The overall balance held in IJB reserves has increased at March 2021 by £6.236m to £10.240m. This reflects the impact of the pandemic on the IJBs planned investments in relation to whole system transformation, as well as increased slippage on ring-fenced allocations for which delivery is phased over more than one year. Within these ring-fenced allocations a residual balance is held against COVID-19 allocations not utilised in 2020/21 and which will be set against expenditure plans for 2021/22 in line with Scottish Government guidance.