

# Supplementary Agenda

## West Dunbartonshire Health & Social Care Partnership Board

**Date:** Wednesday, 25 March 2020

---

**Time:** 14:00

---

**Venue:** Denny Meeting Room, Council Offices, 16 Church Street, Dumbarton

---

**Contact:** Craig Stewart, Committee Officer

Tel: 01389 737251 email: [craig.stewart@west-dunbarton.gov.uk](mailto:craig.stewart@west-dunbarton.gov.uk)

Dear Member

### **CHANGE OF VENUE AND ITEM TO FOLLOW**

**In consultation with the Chair, the meeting will now be held in the Denny Meeting Room, ground floor, Council Offices, 16 Church Street, Dumbarton to allow tele-conferencing to be available to all Partnership Board members who are unable to attend in person. Information on how to use this facility will be emailed separately to all members.**

I refer to the agenda for the above meeting which was issued on 12 March and now enclose copy of **Item 6 – 2019/20 Financial Performance Update, 2020/21 Budget Setting and Medium Term Financial Plan** that was not available for issue at that time.

Yours faithfully

**BETH CULSHAW**

Chief Officer of the Health &  
Social Care Partnership

Note referred to:-

**6 2019/20 FINANCIAL PERFORMANCE UPDATE,  
2020/21 BUDGET SETTING AND  
MEDIUM TERM FINANCIAL PLAN**

**23 – 48  
(Appendix 8 to follow)**

Submit report by the Chief Financial Officer on the above.

**Distribution:-**

**Voting Members**

Allan Macleod (Chair)  
Denis Agnew  
Marie McNair  
John Mooney  
Rona Sweeney  
Audrey Thompson

**Non-Voting Members**

Barbara Barnes  
Beth Culshaw  
Jo Gibson  
Jonathan Hinds  
Chris Jones  
John Kerr  
Helen Little  
Diana McCrone  
Anne MacDougall  
Kim McNab  
Peter O'Neill  
Selina Ross  
Julie Slavin  
Val Tierney

Senior Management Team – Health & Social Care Partnership

Date of issue: 20 March 2020

## WEST DUNBARTONSHIRE HEALTH & SOCIAL CARE PARTNERSHIP BOARD

25 March 2020

---

**Subject: 2019/20 Financial Performance Update, 2020/21 Budget Setting and Medium Term Financial Plan**

### 1. Purpose

- 1.1 To provide the Health and Social Care Partnership Board with an update on the financial performance as at period 10 to 31 January 2020.
- 1.2 To provide a proposed 2020/21 revenue budget based on actual and indicative budget offers from our funding partners.
- 1.3 To provide the Board with the an extract from the draft Medium Term Financial Plan covering the period 2020/21 to 2024/25 with an indicative financial position for the period 2025/26 to 2029/30 also included based on extrapolated data for years 1 to 5.

### 2. Recommendations

- 2.1 The HSCP Board is recommended to:
  - **note** that the revenue position currently shows a projected year to date and annual favourable (under spend) position of £0.387m and £1.355m respectively;
  - **note** that the capital position currently shows a projected delay to opening to the Clydebank Care Home and an anticipated over spend of £0.080m;
  - **note** the analysis of the reserve position and the projected balances as at 31 March 2020;
  - **accept** the 2020/21 allocation for Criminal Justice Social Work Services of £1.959m funded by the Scottish Government via West Dunbartonshire Council and **note** the budget implications;
  - **accept** the 2020/21 revenue budget contribution of £70.650m as agreed at Council on 4 March 2020 and **note** that this budget contribution together with agreed management actions, including service improvements, results in a balanced budget for social care;
  - **accept** the 2020/21 indicative budget contribution of £96.039m from NHS Greater Glasgow and Clyde (NHSGCC) subject to formal approval by the Health Board on 21 April 2020 and any final adjustments to the recurring budgets at month 12 and **note** that this budget contribution together with agreed management actions, including service improvements, results in a balanced budget for health care;
  - **approve** an indicative 2020/21 revenue budget of £166.689m required to deliver the strategic priorities of the HSCP Board;
  - **note** that this budget position was based on the current reported demand pressures, inflationary assumptions and demographic pressure. The

rapidly developing operational response to the emerging COVID-19 situation does not factor into the 2020/21 proposed budget;

- **approve** the indicative set aside budget of £28.694m, based on the 2019/20 projected activity and actual costs with a 3% uplift;
- **accept** the 2020/21 budget allocations for Housing Aids and Adaptations of £0.250m and the Care of Gardens budget of £0.453m, held and managed by WDC's Regeneration, Environment and Growth Directorate on behalf of the HSCP Board;
- **note** the update to WDC's 10 Year Capital Plan from 2020/21 to 2028/29 and the programmes linked to the strategic priorities of the HSCP Board; and
- **note** the extract from the draft Medium Term Financial Plan covering the period 2020/21 to 2024/25 with an indicative financial position for the period 2025/26 to 2029/30 also included based on extrapolated data for years 1 to 5.

### 3. Background

- 3.1 The 2020/21 budget proposals are presented on the basis of "business as usual", ongoing and developing COVID-19 issues highlight that this is not the case. It should be recognised that extraordinary costs are being incurred and will continue to be incurred for the foreseeable future. For accounting purposes, processes are being put in place to capture these costs to allow regularly reporting to the Scottish Government and to match against anticipated emergency funding which will be routed through both local authorities and health boards.
- 3.2 This report is a continuation of the regular financial performance and budget reports to the HSCP Board and provides an update on the financial performance as at period 10 to 31 January 2020, a progress update from the 19 February budget report and sets out a proposed 2020/21 revenue budget subject to board approval. The report also provides an extract from the draft Medium Term Financial Plan covering the period 2020/21 to 2029/30 with the financial position for the period 2023/24 to 2029/30 being indicative at this time.
- 3.3 The Scottish Government announced their 2020/21 financial settlements to local authorities and health boards on 6 February 2020. Both settlement letters (presented to the 19 February HSCP Board) contained specific reference on funding to be directed to Integration Joint Boards.
- 3.4 The following funding gaps were reported to the February HSCP Board:
- Social Care - £1.536m (no assumption was made regarding investment of the 2020/21 Integration funding); and
  - Health Care - £0.738m (3% uplift)

- 3.5 The Chief Officer and the Chief Financial Officer updated HSCP Board members that the level of funding gap was indicative as negotiations with partner organisations continued both locally and nationally.
- 3.6 The indicative budget gaps reflected a number of management and base budget adjustments totalling £1.114 million.
- 3.7 The level of both earmarked and general reserves was detailed and the potential to apply reserves was also discussed.

**Table 1: Extract from the 2018/19 Annual Accounts**

<b>Reserves Balance as at 1 April 2019</b>	<b>£m</b>
Unearmarked (General) Reserves	2.457
Earmarked Reserves	4.723
<b>Total Reserves</b>	<b>7.180</b>

- 3.8 The HSCP Board's Reserves Policy recommends that its aspiration should be a general reserves level of 2% of its net expenditure. For 2019/20 this equates to approximately £2.701m. Therefore the general reserve is currently short of this target (currently 1.82% of net expenditure) and has been flagged as a risk to maintaining financial sustainability by our external auditors.

#### **4. Financial Performance as at Period 10 to 31 January 2020**

##### **Revenue**

- 4.1 At the meeting of the HSCP Board on 28 March 2019, Members agreed the revenue estimates for 2019/20. A total net budget of £158.946m was approved.
- 4.2 Since the March HSCP Board report there have been a number of adjustments and a total net budget of £162.308m is now being monitored as detailed within Appendix 1.
- 4.3 Table 2 below currently identifies a projected year to date and annual under spend of £0.387m and £1.355m (0.25% and 0.8% of the total budget) respectively. This consolidated summary position is presented in greater detail within appendix 2, with the individual Health Care and Social Care reports detailed in appendix 3.

**Table 2 - Summary Financial Information as at 31 January 2020**

Summary Financial Information	Annual Budget	Year to Date Budget	Year to Date Actual	Year to Date Variance	Variance	Forecast Full Year	Forecast Variance	Variance
	£000's	£000's	£000's	£000's	%	£000's	£000's	%
Health Care	99,048	81,686	81,686	0	0.00%	98,548	500	0.50%
Social Care	94,255	74,602	74,750	(148)	-0.20%	94,471	(217)	-0.23%
<b>Expenditure</b>	<b>193,303</b>	<b>156,287</b>	<b>156,436</b>	<b>(148)</b>	<b>-0.09%</b>	<b>193,020</b>	<b>(1,033)</b>	<b>-0.53%</b>
Health Care	(4,311)	(3,430)	(3,430)	0	0.00%	(4,311)	0	0.00%
Social Care	(26,683)	(20,945)	(21,481)	536	-2.56%	(27,755)	1,072	-4.02%
<b>Income</b>	<b>(30,994)</b>	<b>(24,375)</b>	<b>(24,911)</b>	<b>536</b>	<b>-2.20%</b>	<b>(32,066)</b>	<b>1,072</b>	<b>-3.46%</b>
Health Care	94,737	78,256	78,256	0	0.00%	94,237	500	0.53%
Social Care	67,571	53,656	53,269	387	0.72%	66,716	855	1.27%
<b>Net Expenditure</b>	<b>162,308</b>	<b>131,912</b>	<b>131,525</b>	<b>387</b>	<b>0.29%</b>	<b>160,953</b>	<b>1,355</b>	<b>0.83%</b>

- 4.4 The reasons for the improvement in the projected under spend from £0.520m (Period 9 reported to February HSCP Board) to £1.355m is detailed in Table 3 below.

**Table 3 – Reconciliation of Movements in Reported Position**

Reconciliation of Movements in Reported Position between Last Reported and Period 10	Drawdown / (Transfer to) Unearmarked Reserves £000's
Period 9 Favourable Variance Reported - Impact on Reserves	520
Period 10 Favourable Variance Reported - Impact on Reserves	1,355
<b>Movement</b>	<b>835</b>
<b>Represented By:</b>	
Increase in forecast spend within Children & Families mainly due to an increasing number of high cost placements within Residential Schools and Community Placements	(72)
Application of recovery plan - transfer of continuing care funding to Care at Home	553
Improving position within Care at Home Services	90
Improving position within Strategy, Planning and Health Improvement	47
Improving position within Mental Health, Addictions and Learning Disabilities	30
Improving position within Adult Community Services	76
Non Recurring accumulation of other favourable variances across services.	110
<b>Total</b>	<b>835</b>

- 4.5 Included within the projected under spend of £1.355m are a number of non recurring variances totalling £0.802m which will not roll forward and will therefore not provide a financial benefit in 2020/21.

## **Capital**

- 4.6** As previously reported no issues are forecast at this time in relation to the Aids and Adaptations capital budget.
- 4.7** With regards to Clydebank Care Home, the critical co-ordination aspect at present is the gas, power and district heating connections. Delays with this aspect of the project mean that the new facility is unlikely to open before Autumn 2020, allowing for circa 8 week transition period from construction completion. Due to the complexity of working within the WDC Queens Quay Masterplan development this delay is out with direct project control, however will qualify as a compensating event within the CCG contact. It is estimated at this time that compensation of approximately £0.120m will be incurred leading to an anticipated over spend of £0.080m against the £14.091m approved budget. This overspend will be reported and addressed as part of the normal WDC capital budget monitoring process.

## **5. HSCP Reserves**

- 5.1** The Reserves Policy recommends that as part of the annual budget setting exercise the Chief Financial Officer should review the current level of reserves, estimate the year end position and assess their adequacy in light of the medium term financial outlook.
- 5.2** As detailed in Table 1 above the current general reserve is £2.457m. The projected underspend of £1.355m will be transferred to reserves at the year end and split between earmarked and general reserves as appropriate. The four main risk areas of increased demand for children & family placements, payment of the Scottish Living Wage, absence and workforce issues and the cost of short supply on the prescribing budget could still adversely impact this projected position by 31 March 2020.
- 5.3** At present it is anticipated that £1.627m will be drawdown from earmarked reserves to fund expenditure and this is reflected in the Period 10 financial position. While the year end process is yet to commence a further review of all earmarked reserves will be undertaken and reflected in the 2019/20 draft annual accounts.
- 5.4** At this time it is recommended that any health under spend be added to the existing prescribing reserve given the continued uncertainty over European Trade and the impact of COVID-19 on the global supply chain. Any social care under spend will be split between general reserves and earmarked reserves for specific budget pressures as detailed below.
- Scottish Living Wage – The cost of paying the SLW in 2019/20 was approximately £0.800m. When compared to the funding provided by the Scottish Government (reported to the February HSCP Board) for 2020/21 of £0.441m identifies a shortfall of £0.359m. To address this budget

pressure £0.350m is anticipated to be added to the SLW reserve at the year end; and

- Free Personal Care for U65's – A reserve of £0.100m is anticipated to be created to address budget pressures related to the provision of Free Personal Care for U65's.

Table 4 below provides a summary of the anticipated year end reserve position with further detail contained with appendix 4.

**Table 4 – Anticipated Reserve Position as at 31 March 2020**

Analysis of Reserves	Opening Balance as at 1 April 2019	Drawdown of Earmarked Reserves	Allocation of Projected Underspend	Forecast Closing Balance as at 31 March 2020
	£000	£000	£000	£000
Unearmarked Reserves	2,457		355	2,812
Earmarked Reserves	4,723	(1,627)	1,000	4,096
<b>Total Unearmarked Reserves</b>	<b>7,180</b>	<b>(1,627)</b>	<b>1,355</b>	<b>6,908</b>

**5.5** As stated in section 3.8 the current policy recommends a general reserve level of 2% of the net expenditure budget. Based on the 2020/21 indicative net budget position (covered fully in section 7) of £166.689m (less £26.242m for family health services) this gives a general reserve target of £2.809m. The anticipated general reserve detailed in Table 4 above meets this target.

**5.6** Despite ongoing budget pressures (excluding impact of COVID-19), the scale of anticipated budget gaps going forward, and risks and sensitivity analysis contained with the draft Medium Term Financial Plan (covered in section 8 of this report) the Chief Financial Officer considers that the general reserve level of 2% remains appropriate given the level of earmarked reserves and the potential to release a proportion into general reserve to maintain financial sustainability.

## **6. 2020/21 Budget Setting**

### **Criminal Justice Social Work**

**6.1** The 2020/21 allocation letter received on 7 February 2020 informed the grant funding would be set at £1.959m. This funding is ring-fenced under sections 27A and 27B of the Social Works (Scotland) Act 1968.

**6.2** The funding awarded for 2020/21 is a reduction of £0.059m on 2019/20 funding levels and is based on reported Criminal Justice Social Work workloads, rurality and the economic and social costs of crime. The workload figures are an average for 3 years that have been provided to Justice



Analytical Services (JAS) and the economic and social costs of crime are published annually by Justice Analytical Services (JAS).

- 6.3 The reduction in grant funding along with budget pressures in relation to pay and funding of the SACRO project have resulted in a 2020/21 budget gap for Criminal Justice of £0.198m. This budget gap was fully accounted for in the indicative budget gap presented to the February HSCP Board.

### Scottish Government

- 6.4 The February HSCP Board considered the main messages from the Scottish Government's 6 February letters and the impact on health and social care funding, including:

- *“The funding allocated to Integrated Authorities should be additional and not substitutional to each Council’s 2019/20 recurring budgets for social care services that are delegated. Similarly, the £4 million for school counselling services must be additional. This means that when taken together, Local Authority social care budgets for allocation to Integration Authorities and funding for school counselling services **must be £100 million greater than 2019/20 recurring budgets.**”*

- Excluding school counselling the Council's allocation of the £96m is £1.632m.

- 6.5 As the Scottish Government's budget progressed through its formal stages, the debate around local authorities funding levels and concerns from COSLA over the “directions” relating to additional investment to Integration Authorities resulted in an additional letter and an COSLA addendum being issued on 27 February and 28 February 2020. The main messages contained within these documents are detailed below:

- An additional £95m of resource to be added to the core grant as part of the local government finance settlement with the WDC share being £1.673m; and
- In addition to the £100m transfer from the health portfolio, similar to last year, **flexibility will be available to local authorities to offset their adult social care allocations to Integration Authorities by up to 2% and a maximum of £50 million in 2020-21 based on local needs.** Similarly to 2019/20 this would equate to £0.850m potential reduction to the contribution to the HSCP Board.
- “The Scottish Government and COSLA have agreed joint political oversight to drive improved performance in health and social care through a combination of enhanced accountability and a streamlined improvement and development offer for IJBs. This will be achieved by working with Local Government and NHS Boards to agree a shared national and local approach to accountability for delivery. This will take account of standards, data and measures and we have agreed to work together to develop a

small number of deliverable outcomes to help ensure Integration Authorities use their total resources to focus on delivery of key areas for improvement, including reducing delays in care. This work will be progressed quickly using normal mechanisms and we will keep you informed of progress.”

## **Social Care**

**6.6** There have been a number of budget adjustments since the draft budget was presented to the February HSCP Board reducing the indicative budget gap from £1.536m to £1.200m with details provided below.

- The £0.131m anticipated share of WDC funding reduction from the Scottish Government has been substantially reduced to just £0.013m due to the additional funding for local authorities detailed in section 6.5 above.
- The Autumn opening of the Clydebank Care Home (section 4.7) and ongoing difficulties in recruitment have updated capacity assumptions in the short to medium term. This has resulted in an additional budget pressure of £0.601m being added to the draft budget
- A final review of all learning disability clients has resulted in an additional budget pressure of £0.119m based on current packages.
- A budget pressure of £0.200m has been added to reflect the continuing requirements of the Carers Act and the ring-fenced nature of the additional funding.
- The draft budget included centrally held budgets of £0.574m and £0.485m relating to Investment in Integration and Free Personal Care respectively. Since the February Board a further review of service budgets has taken place and service expenditure of £0.745m is considered appropriate to be charged against this funding.
- Workstreams agreed with Heads of Service and Service Improvement Leads have identified part year savings of £0.150m and £0.182m for Residential Schools placements and Care at Home scheduling efficiencies.
- It has been identified that 3 clients within Physical and Learning Disability meet the criteria for Ordinary Residence based on the recovery of expenditure on accommodation and services under section 86 of the Social Work (Scotland) Act 1968. It has been estimated that a part year saving of £0.192m is achievable in 2020/21.

## **West Dunbartonshire Council**

**6.7** As detailed in the February report, prior to the funding announcements (sections 6.4 and 6.5 above) the Council had agreed an indicative 2020/21

allocation to the HSCP Board of £69.367m. While this still left a funding gap (section 3.3. above) it represented an increase of £1.828m on the 2019/20 recurring budget of £67.539 million and was therefore compliant with the Scottish Government direction, before any additional flexibility to apply a 2% reduction to adult social care budgets.

- 6.8** The Chief Officer and Chief Financial Officer attended the Council's Administration Members Budget Working Group on 2 March to present the revised budget gap of £1.200m and allow members to consider the impact of the various Scottish Government funding streams when presenting their budget to Council as well as the commitment to improve health and social care performance.
- 6.9** West Dunbartonshire Council met on 4 March to set their 2020/21 budget including their funding contribution to the HSCP Board. Full cognisance was taken of the HSCP budget gap and an additional £1.200m was added to the previously reported indicative allocation allowing the HSCP Board to set a balanced budget across Social Care services.
- 6.10** The final approved funding contribution is £70.650m which includes specific project funding of £0.096m relating to Rape Crisis and the CARA Project which will be managed by the HSCP. A detailed breakdown is included within Appendix 5.

### **Health Care**

- 6.11** There have been a number of budget adjustments since the draft budget was presented to the February HSCP Board effectively removing the budget gap £0.738m with details provided below.
- Pay inflation of 3.89% was included within the draft budget presented to the February HSCP Board. Subsequent advice from finance colleagues at NHSGCC suggest that pay inflation of 4.2%, linked to Agenda for Change, is more likely resulting in additional pay pressures of £0.073m.
  - It has been confirmed that an element of the Frailty Team burden of £0.610m is not required to be budgeted within Health as this expenditure is covered under the existing Resource Transfer resource within Social Care.
  - Workstreams agreed with Heads of Service and Service Improvement Leads have identified part year savings of £0.065m related to digitisation and administration.
  - Income is received from Highland Health Board for Argyll and Bute residents who access a number of in-patient Mental Health beds at the Vale of Leven Hospital. This comes under cross boundary flow and is measured and charged for by all health boards based on a 3 year rolling average. The actual income generated in 2018/19 and the projection for

2019/20 is higher than budget which is anticipated to have a favourable impact 2020/21 of £0.130 million.

### **NHS Greater Glasgow and Clyde Health Board**

- 6.12** The NHSGCC funding allocation letter was received on 10 March 2020 (Appendix 6) and detailed indicative funding of £96.039m. This included £0.251m of recurring budget adjustments relating to realignment of PCIF, PCIP and pharmacist posts previously held by the central prescribing support unit and a small increase of £0.006m in the 3% uplift figure reported to the February HSCP Board (£2.025m to £2.031m). A full reconciliation of all adjustments is detailed in appendix 7.
- 6.13** The NHSGCC funding letter also advised of the 2020/21 Set Aside budget of £28.694m a significant increase from the 2019/20 notional set aside budget of £18.673 million. This reflects the extensive work undertaken to capture actual costs and activity associated with unscheduled care.
- 6.14** The set aside budget offer is indicative and remains a notional budget at this stage. This has been restated reflecting current activity and includes a 3% uplift. An Unscheduled Care Commissioning Plan is being developed across NHSGGC HSCPs and will be brought to the HSCP Board in due course. This sets out the first steps in developing strategic plans for unscheduled care.
- 6.15** The 2020/21 budget assumptions around Prescribing are based on an increase in line with the 3% uplift. All financial performance reports highlight the risk around prescribing volumes, cost per item, short supply and expected discounts and rebates. Add to this the risks identified at section 5.4 above around lack of clarity on future European trade and the evolving COVID-19 situation adds a layer of uncertainty on what is an appropriate percentage uplift. Given the improved projection for the 2019/20 outturn with the plan to add to the prescribing reserve coupled with additional Government funding for COVID-19, it is recommended the HSCP Board agree the 3% uplift, with the caveat to the budget that quantification and forecasts are outwith current modelling.

### **Other Integrated Budgets in Scope**

- 6.16** The Housing Aids and Adaptations and Care of Gardens for delivery of social care services is in scope as part of the minimum level of adult services which should be delegated to the IJB and should be considered as an addition to the HSCP budget allocation of £70.650m for 2020/21.
- 6.17** As covered within the regular financial performance report, these budgets are currently held within WDC's – Regeneration, Environment and Growth Directorate and are managed on behalf of the HSCP Board. The 2020/21 budgets approved by Council on 4 March 2020 are detailed below:

- Aids and Adaptations - £0.250m (unchanged)
- Care of Gardens - £0.453m (increased by 3% pay award)

**6.18** West Dunbartonshire Council also approved their refreshed ten year capital plan on 4 March 2020. There is no recommended change to the budget for the new Clydebank Care Home as the funding to complete this project was increased in 2018/19 to reflect the cost of the contract awarded. There is an increase to the Aids, Adaptations and Equipment budget in 2020/21. This budget supports the purchase of stair lifts and a variety of other aids to support older and physically disabled clients. The increase to the budget is aligned to the aspirations of Learning Disabilities to take possession of additional units at St Andrews and the additional costs of fitting out these units with suitable adaptations, furniture and fittings. The phasing of both budgets from 2019/20 to 2028/29 is detailed in Table 5 below:

**Table 5 – HSCP Capital Projects 2019/20 to 2028/29**

	Forecast Outturn 2019/20	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24	Budget 2024/25	Budget 2025/26 to 2028/29
Aids & Adaptations	0.757	0.877	0.802	0.824	0.850	0.875	3.608
Clydebank Care Home	8.472	2.223	0.471				

## 7. Budget Summary

**7.1** Table 6 provides a summary of the total HSCP budget resource for 2020/21. In summary the HSCP Board is recommended to approve the 2020/21 indicative revenue budget to deliver on its strategic priorities.

**Table 6 – 2020/21 Funding Summary**

Total Budget Resource HSCP Board 2020/21	£m
WDC Budget Contribution (appendix 5)	70.650
NHSGCC Budget Contribution (appendix 7)	96.039
<b>2020/21 Indicative Revenue Budget for HSCP Board Approval</b>	<b>166.689</b>
<b>Proposed Set Aside Budget for HSCP Board Approval</b>	<b>28.694</b>
<b>Other Funding in Scope</b>	
Criminal Justice	1.959
Housing Aids and Adaptations	0.250
Care of Gardens	0.453

**7.2** The rapidly developing operational response to the emerging COVID-19 situation does not factor into the 2020/21 proposed budgets. All financial

performance reports highlight the most up to date position regarding Health and Social Care; however risks around the evolving COVID-19 situation add a layer of uncertainty for 2020/21. The situation will be kept under close review with regular updates presented to the HSCP Board regarding spend and the impact of recent announcements on additional Government funding for COVID-19 as appropriate.

## **8 Draft Medium Term Financial Plan 2020/21 – 2024/25**

- 8.1** The draft Medium Term Financial Plan (Appendix 8) is presented to allow HSCP Board members to consider how the strategic priorities laid out with the Strategic Plan 2019 – 2022 translate into a financial cost set against predicted funding allocations from our partner organisations resulting in anticipated funding gaps. The plan must consider both the local and national context within which the HSCP operates including current service delivery across our localities, the impact of demographic changes, deprivation and the burden of disease set against delivery of the Scottish Government’s national outcomes, legislative requirements to support service users and their carers and the Medium Term Health and Social Care Financial Framework.
- 8.2** The plan considers the medium term financial outlook over the next 5 years based on current financial performance and planned financial performance for 2020/21 based on the recommended budget £166.689m. Through the application of sensitivity analysis the plan identifies a range of future year pressures, potential funding gaps ranging from the “most likely” of £1.5m to £6.4m and our response to minimise the gap through ongoing service transformation, strategic commissioning and community empowerment supported by our Reserves Strategy.
- 8.3** The greatest risk to the HSCP Board is continuing to deliver a sustainable budget in 2020/21 and beyond. The plan must be responsive to service demands and be used to inform engagement with our partners in future budget discussions.
- 8.4** The Health and Sport Committee and Audit Scotland expect IJBs to consider financial planning for both the medium and longer term to evidence financial sustainability, however the continuing pattern of one year only budget settlements to both local authorities and health boards increases the risk that future budget gaps are highly indicative and could have a detrimental impact on service redesign and delivery.

## **9. People Implications**

- 9.1** Any staffing implications of potential savings options that may be required to close indicative budget funding gaps will be subject to the consultation processes of WDC and NHSGGC where appropriate.

## **10. Financial Implications**

**10.1** Other than the financial position noted above, there are no other financial implications known at this time.

## **11. Professional Implications**

**11.1** The Chief Financial Officer (sect. 95 responsibility) for the HSCP Board must establish a robust annual budget process that ensures financial balance.

**11.2** The Chief Officer for the HSCP Board must ensure that the Strategic Plan meets the best value requirements for economy, efficiency and effectiveness.

## **12. Locality Implications**

**12.1** None.

## **13. Risk Analysis**

**13.1** There are a number of risks in relation to the current and future years including:

- Continued volatility in demand pressures across the range of services provided by the HSCP;
- Approved management adjustments and savings options not delivering the projected value required to close the funding gap;
- Financial sustainability and the ongoing need to ensure the reserves strategy is prudent and serves the needs of the HSCP;
- Scottish Government not providing sufficient funding for planned increases to the Scottish Living Wage;
- Delivery of targets and outcomes such as delayed discharge and waiting times linked to the COSLA / Scottish Government Improving Outcomes and Performance approach;
- Managing demand and the impact of legislative changes e.g. Carers Act and Free Personal Care for under 65's;
- Implications from consumption of hosted services if current arrangements are revised;
- Potential short supply prescribing pressures and inability to deliver of efficiency programmes; and
- Possible impact on staff recruitment, drug prices and drug availability as a consequence of the United Kingdom leaving the EU.
- The 2020/21 budget proposals assume "business as usual". The potential financial and economic impacts of COVID-19 represents a significant additional risk to the HSCP, and the wider public sector going forward

## **14. Impact Assessments**

- 14.1** Equality impact assessment of potential savings options and management adjustments will be carried out by Heads of Service and will be made available to members as part of the background papers.

## **15. Consultation**

- 15.1** This report has been provided to the Health Board Assistant Director of Finance and the Council's Strategic Lead for Resources.

## **16. Strategic Assessment**

- 16.1** Proper budgetary control and sound financial practice are cornerstones of good governance and support the Partnership Board and officers to pursue the strategic priorities of the Strategic Plan.

**Julie Slavin – Chief Financial Officer**

**Date: 20 March 2020**

---

**Person to Contact:** Julie Slavin – Chief Financial Officer, Church Street, WDC Offices, Dumbarton G82 1QL  
Telephone: 01389 737311  
E-mail: julie.slavin@ggc.scot.nhs.uk

**Background Papers:** 2020/21 Budget Update Report – February HSCP Board

**Appendices:**

- Appendix 1 – Budget Reconciliation
- Appendix 2 – Revenue Budgetary Control 2019/20 (Overall Summary)
- Appendix 3 – Revenue Budgetary Control 2019/20 (Health Care and Social Care Summary)
- Appendix 4 – Reserves Update
- Appendix 5 – Social Care Budget Based on WDC Approved Allocation 4 March 2020 and Social Care Funding Reconciliation
- Appendix 6 – NHSGCC 2020/21 Indicative Financial Allocation to West Dunbartonshire Health and Social Care Partnership
- Appendix 7 – Health Care Budget Based on NHSGCC Indicative Allocation 10 March 2020
- Appendix 8 – Medium Term Financial Plan for the Period 2020/21 to 2024/25



2019/20 Budget Reconciliation	Health Care £000	Social Care £000	Total £000
<b>Budget Approved at Board Meeting on 28 March 2019</b>	<b>91,133</b>	<b>67,813</b>	<b>158,946</b>
<b>Period 3 Adjustments</b>			
Family Health Services	416		416
Hep C Funding to Addictions	26		26
Additional 2.54% uplift on Continuing Care	14		14
Full Year Impact of Recurring Adjustments	25		25
<b>Period 4 Adjustments</b>			
Allocation of See Hear Budget from Council		5	5
Camchp33 Wd Sg Superan Uplift	1,128		1,128
Camchp35 Mh Strategy Action 15	94		94
<b>Period 5 Adjustments</b>			
Camchp43 St Margaret's Hospice Superan Uplift	32		32
Gvp19057 Tarrif Reduction - FHS Prescribing	(403)		(403)
Camchp50 Adp Funding	21		21
Uplift Ncl To Hscp - Gds - FHS Other	505		505
<b>Period 6 Adjustments</b>			
Transfer of postages budget to corporate		(4)	(4)
FHS GMS - X Chg Hscps 17c 19-20	(8)		(8)
SESP - Chd Eat Up - West D (PHI)	50		50
SESP - Diabetes - Wd (Adult Community)	20		20
SESP - Ldl Team From Ld To Hscps	12		12

2019/20 Budget Reconciliation	Health Care £000	Social Care £000	Total £000
<b>Period 7 Adjustments</b>			
Gms X Chg Hscps Uplift 19-20	1,028		1,028
<b>Period 8 Adjustments</b>			
Procurement Savings		(62)	(62)
Recurring SLT Tfer from Fin Planning (Reversal of prev year transfer from Acute)	(13)		(13)
Non Rec Mental Health Framework Camhs (Children's Specialist Services)	174		174
Non Recurring Smoking Prev (Planning & Health Improvement)	71		71
Non Recurring Pcip Premises (PCIP within Admin Mgmt)	55		55
Non Recurring Sesp Phys Act Tfr (Planning & Health Improvement)	(25)		(25)
Non Recurring Paid as if at work funding (Adult Community)	8		8
Non Recurring Breastfeeding funding (Children's Community Services)	20		20
Non Recurring Nondisc Chg To Hscp - Ncl Gps (FHS Other)	(5)		(5)
<b>Period 9 Adjustments</b>			
School Counselling budget transfer to Education		(216)	(216)
Reversal of M08 entry posted in error - Non Rec Sesp Phys Act Tfr (PHI)	25		25
Non Recurring NCL To Hscp - Ncl Gps (FHS Other)	243		243
<b>Period 10 Adjustments</b>			
Rape Crisis Funding from Corporate		35	35
West Dun Share Of Pfg Media	80		80
Accr Ncl To Hscp -gps M10	10		10
<b>Revised Budget 2019/20</b>	<b>94,737</b>	<b>67,571</b>	<b>162,308</b>

Consolidated Expenditure by Service Area	Annual Budget	Year to Date Budget	Year to Date Actual	Year to Date Variance	Forecast Full Year	Forecast Variance	Variance %
	£000's	£000's	£000's	£000's	£000's	£000's	
Older People Residential, Health and Community Care	30,329	25,062	24,388	673	28,774	1,554	2.2%
Care at Home	12,206	9,999	10,036	(36)	12,279	(73)	-0.3%
Physical Disability	2,580	1,976	1,878	98	2,384	196	3.8%
Childrens Residential Care and Community Services (incl. Specialist)	22,090	18,506	19,749	(1,242)	24,449	(2,360)	-5.6%
Strategy, Planning and Health Improvement	1,872	1,299	1,141	158	1,475	396	8.4%
Mental Health Services - Adult and Elderly, Community and Inpatients	8,869	7,030	6,972	58	8,754	115	0.7%
Addictions	2,794	2,443	2,375	68	2,689	105	2.4%
Learning Disabilities - Residential and Community Services	12,673	9,642	9,605	37	12,611	62	0.3%
Family Health Services (FHS)	27,045	22,686	22,686	0	27,045	0	0.0%
GP Prescribing	19,305	15,974	15,952	22	19,305	0	0.1%
Hosted Services	7,292	5,757	5,655	103	7,282	10	1.4%
Criminal Justice (Including Transitions)	(0)	(46)	(40)	(6)	0	(0)	0.0%
Resource Transfer	15,763	12,675	12,675	0	15,763	0	0.0%
HSCP Corporate and Other Services	(510)	(1,090)	(1,546)	455	(1,858)	1,348	-89.2%
<b>Net Expenditure</b>	<b>162,308</b>	<b>131,912</b>	<b>131,525</b>	<b>387</b>	<b>160,954</b>	<b>1,355</b>	<b>0.2%</b>

Consolidated Expenditure by Subjective Analysis	Annual Budget	Year to Date Budget	Year to Date Actual	Year to Date Variance	Forecast Full Year	Forecast Variance	Variance %
	£000's	£000's	£000's	£000's	£000's	£000's	
Employee	70,401	56,990	56,868	122	69,047	1,354	0.2%
Property	899	677	686	(9)	890	10	-1.0%
Transport and Plant	1,315	979	1,025	(46)	1,407	(92)	-3.5%
Supplies, Services and Admin	5,362	3,329	3,140	189	5,494	(133)	3.5%
Payments to Other Bodies	65,871	52,963	53,480	(517)	66,791	(920)	-0.8%
Family Health Services	27,045	22,686	22,686	0	27,045	0	0.0%
GP Prescribing	19,305	15,974	15,952	22	19,305	0	0.1%
Other	3,104	2,689	2,598	91	3,048	56	2.9%
<b>Gross Expenditure</b>	<b>193,302</b>	<b>156,288</b>	<b>156,436</b>	<b>(149)</b>	<b>193,028</b>	<b>275</b>	<b>-0.1%</b>
Income	(30,994)	(24,375)	(24,911)	536	(32,075)	1,081	-1.7%
<b>Net Expenditure</b>	<b>162,308</b>	<b>131,912</b>	<b>131,525</b>	<b>387</b>	<b>160,954</b>	<b>1,355</b>	<b>0.2%</b>

Health Care Net Expenditure	Annual Budget £000's	Year to Date Budget £000's	Year to Date Actual £000's	Year to Date Variance £000's	Forecast Full Year £000's	Forecast Variance £000's	% Variance
Planning & Health Improvements	827	589	577	12	723	105	12.68%
Childrens Services - Community	3,015	2,569	2,670	(101)	3,115	(100)	-3.33%
Childrens Services - Specialist	1,377	1,132	1,131	0	1,373	4	0.33%
Adult Community Services	9,966	8,341	8,318	23	9,725	241	2.42%
Community Learning Disabilities	607	506	489	17	586	21	3.51%
Addictions	1,816	1,612	1,572	40	1,767	49	2.69%
Mental Health - Adult Inpatients	0	0	0	0	0	0	0.00%
Mental Health - Adult Community	3,622	2,934	2,719	214	3,622	0	0.00%
Mental Health - Elderly Inpatients	2,654	2,212	2,425	(214)	2,654	0	0.00%
Family Health Services (FHS)	27,045	22,686	22,686	0	27,045	0	0.00%
GP Prescribing	19,305	15,974	15,952	22	19,305	0	0.00%
Other Services	1,447	1,270	1,386	(115)	1,278	170	11.72%
Resource Transfer	15,763	12,675	12,675	0	15,763	0	0.00%
Hosted Services	7,292	5,757	5,655	103	7,282	10	0.14%
<b>Net Expenditure</b>	<b>94,737</b>	<b>78,256</b>	<b>78,256</b>	<b>(0)</b>	<b>94,237</b>	<b>500</b>	<b>0.53%</b>

Social Care Net Expenditure	Annual Budget £000's	Year to Date Budget £000's	Year to Date Actual £000's	Year to Date Variance £000's	Forecast Full Year £000's	Forecast Variance £000's	% Variance
Strategy Planning and Health Improvement	1,044	710	564	146	753	291	13.95%
Residential Accommodation for Young People	3,683	3,245	3,295	(49)	3,781	(98)	-1.33%
Children's Community Placements	4,999	4,369	4,777	(409)	5,816	(817)	-8.17%
Children's Residential Schools	1,493	1,550	2,331	(782)	3,057	(1,564)	-52.35%
Childcare Operations	3,969	3,301	3,363	(62)	4,092	(124)	-1.56%
Other Services - Young People	3,554	2,341	2,181	160	3,215	339	4.50%
Residential Accommodation for Older People	6,473	4,899	4,735	164	6,145	328	2.53%
External Residential Accommodation for Elderly	9,036	7,838	7,374	464	8,109	928	5.13%
Sheltered Housing	1,307	1,345	1,317	27	1,252	55	2.10%
Day Centres Older People	1,094	843	877	(34)	1,162	(68)	-3.13%
Meals on Wheels	23	8	7	1	20	2	5.35%
Community Alarms	(87)	(204)	(198)	(5)	(88)	1	6.13%
Community Health Operations	2,517	1,993	1,959	34	2,448	68	1.35%
Residential - Learning Disability	10,053	7,565	7,555	10	10,032	21	0.10%
Physical Disability	2,580	1,976	1,878	98	2,384	196	3.80%
Day Centres - Learning Disability	2,013	1,571	1,561	10	1,993	20	0.50%
Criminal Justice (Including Transitions)	(0)	(46)	(40)	(6)	0	(0)	0.00%
Mental Health	2,593	1,884	1,827	57	2,479	115	2.21%
Care at Home	12,206	9,999	10,036	(36)	12,279	(73)	-0.30%
Addictions Services	978	830	802	28	922	57	2.89%
Frailty	219	136	71	65	90	129	29.45%
Carers	677	677	677	0	527	150	0.00%
Integrated Change Fund	550	315	305	11	529	21	1.93%
HSCP - Corporate	(3,404)	(3,488)	(3,984)	495	(4,281)	878	0.00%
<b>Net Expenditure</b>	<b>67,571</b>	<b>53,656</b>	<b>53,269</b>	<b>387</b>	<b>66,716</b>	<b>855</b>	<b>0.57%</b>

Analysis of Reserves	Opening Balance as at 1 April 2019	Application of Reserves Previously Reported	Forecast Closing Balance as at 31 March 2020 Previously Reported	Further Forecast Movement	Forecast Closing Balance as at 31 March 2020	Notes
	£000	£000	£000	£000	£000	
<b>Unearmarked Reserves</b>						
Unearmarked Reserves	(2,457)	(1,039)	(3,496)	684	(2,812)	Transfer to general reserves based on reported underspend
<b>Total Unearmarked Reserves</b>	<b>(2,457)</b>	<b>(1,039)</b>	<b>(3,496)</b>	<b>684</b>	<b>(2,812)</b>	
<b>Earmarked Reserves</b>						
GIFREC Council	(6)	6	0		0	Will be fully spent in 2019/20
Criminal Justice	(71)	16	(55)	(4)	(59)	Ring fenced Scottish Government grant that will be used for transition officers post funding
Carers Funding	(183)	0	(183)		(183)	Needs to be fully assess as further £0.200m available in 2020/21 budget
Social Care Fund - Living Wage	(773)	95	(678)	(350)	(1,028)	The cost of paying the SLW in 2019/20 was approximately £0.800m, the cost of which has been contained within the 2019/20 HSCP budget overall due to non recurring savings. When compared to the funding provided by the Scottish Government (reported to the February HSCP Board) for 2020/21 of £0.441m identifies a shortfall of £0.359m. Procurement exercises are ongoing and Scottish living wage negotiations continue to be a medium term budget pressure on the HSCP. To address this pressure it is considered prudent at this time to increase the existing reserve by £0.350m at the year end.
Free Personal Care for U65	0		0	(150)	(150)	Reserve to fund free personal care for under 65's
Service Redesign and Transformation	(971)	297	(674)		(674)	Draw down related to SACRO costs and increase agency cover for social workers within Children & Families. Approved expenditure on fixed term posts supporting HR and Transformation will also be funded from this reserve.
Integrated Care Fund	(420)	0	(420)		(420)	Now mainlined funding and although there are sill reporting requirements around Ministerial Steering Group 6 essential actions we are exploring merging with Delayed Discharge and Social Care Funding to assist with funding frailty framework, home care and care home pressures.
Delayed Discharge	(103)	0	(103)		(103)	Was Scottish Government earmarked recurring funding with conditions of spend - expenditure linked to DD plan and may now also assist with wider review of beds work with WD HSCP (see ICF comment above)
GIFREC NHS	(99)	40	(59)		(59)	Scottish Government earmarked non recurring funding with conditions of spend - Information sharing/technology portal development in relation to GIFREC for HSCP's. Further planned spend via NHSGGC in 19/20 will require drawdown from this reserve.
DWP Conditions Management	(174)	7	(167)		(167)	Ring fenced non recurring income from Department of Work and Pensions to cover exit costs of Condition Management Joint Project between DWP and NHS hosted by WD HSCP. Funding from DWP equivalent to redundance payments - however NHS has no redundancy policy, therefore funding aligned to alternative posts and pay protection for affected employees. Drawdown required year on year dependant on placement of displaced staff.

Analysis of Reserves	Opening Balance as at 1 April 2019	Application of Reserves Previously Reported	Forecast Closing Balance as at 31 March 2020 Previously Reported	Further Forecast Movement	Forecast Closing Balance as at 31 March 2020	Notes
	£000	£000	£000	£000	£000	
TEC (Technology Enabled Care) Project	(146)	92	(54)	(25)	(79)	Scottish Government non recurring grant funding for technology enabled care project. Fixed term post and purchase of equipment and text bundles will see reserves fully drawn down by 20/21.
Primary Care Transformation Fund (including Cluster Lead Funding)	(260)	260	0	(43)	(43)	Scottish Government earmarked funding for primary care implementation plan. Reserve will support implementation and expansion of plans from 19/20 onwards.
Physio Waiting Times Initiative	(125)	(100)	(225)		(225)	Reserve created from in year staff underspends within hosted MSK physiotherapy service to ensure delays/pressures in waiting times can be addressed. Earmarked funding will not now be required until early 20/21 due to high levels of staff turnover and long term sickness, creating delays in implementing strategies and recruiting to waiting times posts.
Retinal Screening Waiting List Grading Initiative	(60)	30	(30)		(30)	Reserve created from in year underspend within hosted retinal screening service to allow for funding of fixed term post and additional hours in 19/20 to address grading backlog.
GP Premises improvement Funding	(68)	68	0		0	The amounts allocated back to IJB's was estimated based on GP data, so the amount required across NHSGCC is still being considered as allocation will be linked to need. Local funding may be required to enhance this fund.
MSK Ortho Project	0	0	0		0	
MSK Govan SHIP Project Funding	0	0	0		0	
Prescribing Reserve	(369)	0	(369)	(500)	(869)	Newly created in 2018/19 in preparation of the UK's exit from the European Union and anticipated increases in drug costs from short supply. Anticipated to increase at 31 March 2020 to help mitigate future prescribing pressures.
Mental Health Action 15	(123)	123	0		0	Required to fund 19/20 Action 15 expenditure, per SG confirmation of use of Reserves Funding before further allocations are released.
Primary Care Improvement Fund	(482)	482	0		0	Required to fund 19/20 PCIP expenditure, per SG confirmation of use of Reserves Funding before further allocations are released.
Alcohol and Drug Partnership	(290)	290	0	(7)	(7)	Required to fund 19/20 ADP Local Improvement expenditure, per SG confirmation of use of Reserves Funding before further allocations are released.
<b>Total Earmarked Reserves</b>	<b>(4,723)</b>	<b>1,706</b>	<b>(3,017)</b>	<b>(1,079)</b>	<b>(4,096)</b>	
<b>Total Reserves</b>	<b>(7,180)</b>	<b>667</b>	<b>(6,513)</b>	<b>(395)</b>	<b>(6,908)</b>	

SOCIAL CARE - BUDGET BASED ON WDC APPROVED ALLOCATION 4 MARCH COUNCIL	Report Section	2020/21 Required Budget	2020/21 Funding Allocation	Funding Gap
		£000s	£000s	£000s
<b>Budget Position reported to 19 February HSCP Board</b>				
2019/20 Recurring Budget		67,540		
As at 19 February HSCP Board		3,363	69,367	
<b>Total</b>	<b>3.4</b>	<b>70,903</b>	<b>69,367</b>	<b>1,536</b>
<b>Social Care Adjustments since February HSCP Board</b>				
Distribution Adjustment	6.6		(13)	
Increase in Budget Pressure to Care Homes	6.6	601		
Increase in Budget Pressures to Learning Disabilities	6.6	119		
Carers Act Budget Pressure	6.6	200		
Application of investment in integration and free personal care funding	6.6	(745)		
Part Year Saving related to work of Service Improvement Leads	6.6	(332)		
Explore Ordinary Residence Process	6.6	(192)		
<b>Total</b>		<b>(349)</b>	<b>(13)</b>	<b>(336)</b>
<b>Revised Budget Position</b>	<b>6.6</b>	<b>70,554</b>	<b>69,354</b>	<b>1,200</b>
Partial transfer of additional £100m funding to close budget gap	6.9		1,200	
<b>Revised Budget Position</b>		<b>70,554</b>	<b>70,554</b>	<b>0</b>
Transfer of specific project funding to HSCP	6.10	96	96	
<b>Total</b>		<b>96</b>	<b>96</b>	<b>0</b>
<b>Budget Position recommended to 25 March HSCP Board</b>	<b>6.10</b>	<b>70,650</b>	<b>70,650</b>	<b>0</b>



## Greater Glasgow and Clyde NHS Board

JB Russell House  
Gartnavel Royal Hospital  
1055 Great Western Road  
GLASGOW  
G12 0XH  
Tel. 0141-201-4444  
[www.nhsggc.org.uk](http://www.nhsggc.org.uk)

Date:  
Our Ref: JH

Enquiries to: James Hobson  
Direct Line: 0141-201-4774  
E-mail: [James.Hobson@ggc.scot.nhs.uk](mailto:James.Hobson@ggc.scot.nhs.uk)

Dear Beth

### **2020/21 Indicative Financial Allocation to West Dunbartonshire Health and Social Care Partnership**

Further to initial informal discussions with Chief Officers and Chief Finance Officers, I am writing to you with an indicative budget proposal for 2020/21. An update to this letter formally confirming your final allocation for 2020/21 will be issued on behalf of the Board after the Board's financial plan has been approved at the 21 April board meeting and when the Board's financial out-turn is confirmed.

#### **Annual uplift to NHSGGC**

The annual general uplift is provided by the Scottish Government to support Boards in meeting expected additional costs related to pay, supplies (which includes prescribing growth and utilities charges) and capital charges. The Board's uplift for 2020/21 is 3.0% totalling £68.9m.

#### **The HSCP Settlement**

The Scottish Government's funding allocation letter issued on 6 February 2020 states that *"In 2020-21, NHS payments to Integration Authorities for delegated health functions must deliver an uplift of at least 3.0% over 2019/20 agreed recurring budgets"*.

The total allocation uplift to all six HSCPs should be £25.9m based on the current recurring budget at 31 January 2020. This will be adjusted when the 2019-20 out-turn is finalised in April.

An indicative allocation based on month 10 figures is included in **Appendix 1**.

#### **Set Aside Budget**

During 2019/20 work had been undertaken to identify the actual budgets and costs of unscheduled care services and these will be used as the basis for the set aside allocation for 2020/21. This is initially based on the estimated out-turn for 2019/20 uplifted by 3.0% and will be revised when the Board's final out-turn is confirmed. This figure represents the estimated actual usage of in scope Acute services. This will continue to be a notional allocation until commissioning plans are in place between HSCPs and the Board.

#### **Recharges to HSCPs**

The following items will continue to be charged to the HSCP during 2020/21:

- The HSCP's proportional share of the Apprenticeship Levy based on your HSCP's payroll cost; and

- The HSCP's proportional share of the annual cost arising from the change in accounting treatment of pre 2010 pension costs as the non recurring funding generated from this change was used to provide non recurrent support to all service areas in 2016/17.

I hope this now enables the HSCP to finalise its financial plans for 2020/21.

Yours sincerely

A handwritten signature in black ink, appearing to read 'James Hobson', with a long horizontal flourish extending to the right.

**James Hobson**  
Assistant Director of Finance  
NHS Greater Glasgow and Clyde

## Appendix 1 – Financial Allocation (based on month 10 figures)

Spend Categories		West Dunbartonshire Hscp
		£000s
Family Health Services *		27,327
Fhs Income*		(1,086)
<b>Family Health Services Budget (Net)</b>		<b>26,241</b>
Prescribing & Drugs		19,946
Non Pay Supplies		4,065
Pay		27,205
Other Non Pay & Savings		19,412
Other Income		(3,113)
<b>Budget - HCH incl Prescribing</b>		<b>67,515</b>
<b>Total Rollover budget - NET</b>		<b>93,756</b>
<b>Adjustments:</b>		
Non Recurring bud allocated to base		(71)
Realignment of Specialist Children's Services		
Realignment of PCIF/ PCIP Funds Pharmacy		155
Realignment of Historic Pharmacy Funds		96
<b>Budget Eligible for HCH &amp; Prescribing uplift</b>		<b>67,695</b>
<b>Uplifts</b>		
Scottish Government allocation	3.00%	2,031
<b>Revised Budget</b>		<b>96,038</b>
<b>Set Aside budget:</b>		
Actual 2019/20 - April to January		23,215
Estimate February - March 2020		4,643
<b>Estimated Set Aside allocation 2019/20</b>		<b>27,858</b>
<b>Indicative allocation for 20/21 (3% uplift)</b>		<b>28,694</b>

HEALTH CARE - BUDGET BASED ON NHSGCC INDICATIVE ALLOCATION LETTER 9 MARCH 2020	Report Section	2020/21 Required Budget	2020/21 Funding Allocation	Funding Gap
		£000s	£000s	£000s
<b>Budget Position reported to 19 February HSCP Board</b>				
2019/20 Recurring Budget		93,757		
As at 19 February HSCP Board		2,763	95,782	
<b>Total</b>	<b>3.4</b>	<b>96,520</b>	<b>95,782</b>	<b>738</b>
<b>Health Care Adjustments since February HSCP Board</b>				
Recurring Budget Adjustments since Period 10	6.12	251	251	
Increase in Pressure to Pay	6.11	73		
Removal of Frailty Team Burden	6.11	(610)		
Part Year Saving related to work of Service Improvement Leads	6.11	(65)		
Anticipated increase in Income from Argyll and Bute	6.11	(130)		
<b>Total</b>		<b>(481)</b>	<b>251</b>	<b>(732)</b>
<b>Revised Budget Position</b>		<b>96,039</b>	<b>96,033</b>	<b>6</b>
Additional Contribution GGC (if approved by 21 April Health Board)	6.12		6	
<b>Budget Position recommended to 25 March HSCP Board</b>	<b>6.12</b>	<b>96,039</b>	<b>96,039</b>	<b>0</b>