

# Supplementary Agenda

## West Dunbartonshire Health & Social Care Partnership Board

**Date:** Thursday, 25 February 2021

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**Time:** 14:00

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**Venue:** Zoom Video Conference

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**Contact:** Nuala Borthwick, Committee Officer  
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Dear Member

### ITEM TO FOLLOW

I refer to the agenda for the above Meeting of the West Dunbartonshire Health & Care Partnership Board which was issued on 18 February 2021 and now enclose a copy of the undernoted report which was not available for issue at that time.

Yours faithfully

**BETH CULSHAW**

Chief Officer of the Health  
& Social Care Partnership

Note referred to:-

**6 FINANCIAL PERFORMANCE REPORT AS AT PERIOD 9 (31 DECEMBER 2020)  
AND 2021-2022 ANNUAL BUDGET SETTING UPDATE** **129 - 186**

Submit report by the Chief Financial Officer providing the Health and Social Care Partnership Board with an update on the financial performance as at period 9 to 31 December 2020 and a projected outturn position to the 31 March 2021 along with an update on the 2021/22 annual budget setting process.

Distribution:-

**Voting Members**

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

**Non-Voting Members**

Barbara Barnes  
Beth Culshaw  
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: 23 February 2021

## WEST DUNBARTONSHIRE HEALTH AND SOCIAL CARE PARTNERSHIP BOARD

### Report by Chief Finance Officer

25 February 2021

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**Subject: Financial Performance Report as at Period 9 (31 December 2020) and 2021/22 Annual Budget Setting Update**

#### **1. Purpose**

- 1.1** To provide the Health and Social Care Partnership Board with an update on the financial performance as at period 9 to 31 December 2020 and a projected outturn position to the 31 March 2021 along with an update on the 2021/22 annual budget setting process.
- 1.2** The financial impact of the Covid-19 pandemic on health and care services continues to evolve as services respond, adapt and renew, therefore the outturn projection to the end of 31 March 2021 will be subject to change as the HSCP and our partners move through the different protection level restrictions across our local areas.

#### **2. Recommendations**

**2.1** The HSCP Board is recommended to:

- Note the updated position in relation to budget movements on the 2020/21 allocation by WDC and NHSGGC and direction back to our partners to deliver services to meet the strategic priorities approved by the HSCP Board;
- Note that revenue position for the period 1 April 2020 to 31 December 2020 is reporting an underspend of £2.454m (1.94%);
- Note the projected outturn position of £2.722m underspend (1.47%) for 2020/21 and the main movements since last reported to the HSCP Board.
- Note that the Covid-19 cost for the period 1 April 2020 to 31 December 2020 is £5.277m;
- Note that the projected costs of Covid-19 are currently estimated to be £7.748m;
- Note that Covid-19 funding of £11.265m has now been allocated to fund both 2020/21 and future Covid-19 costs for 2021/22 with funding in advance of £3.517m to be placed in an earmarked reserve;
- Note the update on the monitoring of savings agreed for 2020/21;
- Note the analysis of the reserves balances;
- Note the update on the capital position and projected completion timelines; and
- Note the progress on the 2021/22 budget setting process, initial planning assumptions and the expected timeline in relation to our partner bodies budget offers.

### **3. Background**

- 3.1** At the meeting of the HSCP Board on 25 March 2020, just as Scotland entered into “lockdown” to combat the Covid-19 pandemic, members agreed the revenue estimates for 2020/21. A total indicative net revenue budget of £166.689m (excluding Set Aside) was approved as the health allocation was subject to NHS GGC Board formal approval.
- 3.2** Since the start of the financial year there has been a number of budget adjustments, including full funding for the additional costs responding to the pandemic and new funding allocations. A total net revenue budget of £184.843m is now being monitored as detailed within Appendix 1.

### **4. Main Issues**

#### **Financial Impacts of the HSCP Response to the Covid-19 Pandemic**

- 4.1** As reported in the HSCP Board in previous papers financial governance processes were adapted to be able to respond effectively to directives from the Scottish Government to support the sustainability of health and social care services.
- 4.2** A detailed Covid-19 financial tracker is completed at least monthly by HSCPs, with the detailed information considered internally by the Chief Officer, Chief Financial Officer, the HSCP Board Chair and Vice Chair in line with the temporary decision making arrangements, coupled with collective and individual scrutiny by our funding partners and the Scottish Government.
- 4.3** The table below provides a summarised version of the financial tracker actual and projected costs based on December ledger data. At this time the projections only extend until the end of the 2020/21 financial year; however expenditure commitments will extend into 2021/22, in particular the ongoing requirement for PPE, community and mental health assessment units and the support to some social care providers.
- 4.4** The projections will be subject to change as additional guidance is issued as Scotland progresses through the phased stages of the route map and the HSCP move services into recovery and renewal phases.
- 4.5** The table below details the Scottish Government Covid-19 funding received to date. Since the last reported allocation the Scottish Government has released further funding in December 2020 of £5.492m to cover identified shortfalls in particular costs across primary care and £65m to cover sustainability payments, staff bubbling and admin support, and £221.9m in January 2021 to cover Covid-19 Q1-4 allocation tranche2, further integration authority support and adult social care winter plan – tranche 2. The HSCP’s share of these allocations total £6.133m and takes total Covid-19 funding to £11.265m.

**Table 1: Summary of Covid-19 Costs and Funding to 31 December 2020**

West Dunbartonshire Health & Social Care Partnership			
Financial Year 2020/21 period 9 covering 1 April 2020 to 31 December 2020			
Covid-19	Forecast Full Year £000's	Year to Date Actual £000's	Projected Future Commitment £000's
Delayed Discharge Reduction - Additional Care at Home Packages	675	249	426
Personal protection equipment	442	472	(30)
Additional staff overtime and Enhancements	629	558	71
Additional temporary staff spend	594	471	123
Community Hubs / Assessment Centre	713	300	413
Mental Health Services	221	118	103
Provider Sustainability Payments - Care Homes	2,332	1,256	1,076
Provider sustainability Payments - Other Social Care Providers	803	120	683
Digital, IT & Telephony Costs	198		198
Other external provider costs	218		218
Provider Sustainability Payment - Hospice	396	396	0
Loss of Social Care Income	421	268	153
Expected underachievement of savings (HSCP)	792	600	192
Winter Planning	121	12	109
CSWO Funding	38		38
Offsetting savings - HSCP	(1,447)		(1,447)
Additional FHS Prescribing	51		51
Payments to FHS Contactors	437	343	94
Other	114	114	0
<b>Total Spend</b>	<b>7,748</b>	<b>5,277</b>	<b>2,471</b>
Social Care Funding received to date	(5,880)	(5,880)	0
NHS Funding received to date	(1,846)	(1,846)	0
Hospice Funding	(396)	(396)	0
GP Funding	(343)	(343)	0
Covid-19 Funding received in advance	(2,800)	(2,800)	0
<b>Total Income</b>	<b>(11,265)</b>	<b>(11,265)</b>	<b>0</b>
<b>Net Expenditure</b>	<b>(3,517)</b>	<b>(5,988)</b>	<b>2,471</b>

**4.6** Table 1 shows that the HSCP has now received funding in advance of need totalling £3.517m which will be placed in an earmarked reserve at the end of the financial year to start to address Covid-19 future expenditure commitments.

**4.7** As stated above the projected costs will be subject to continuous change as we progress through the route map or if progress is stalled. One of the most difficult to project is the cost of provider sustainability payments as agreed levels of financial support have been subject to change as representations continue to be made from provider bodies and CoSLA to the Scottish Government.

**4.8** Updated guidance was received from the Scottish Government and COSLA late December 2020. The planned care approach for care and support and community-based services ceased on 30 November and had been replaced with a targeted approach from 1 December 2020 until 31 March 2021 to ensure

that services and supports that are experiencing an ongoing significant impact to delivery are supported. Where there is an ongoing impact on delivery due to COVID-19 providers will be able to access payment for care/support that cannot be delivered if certain criteria are met.

- 4.9** In line with the updated guidance the arrangements for financial support for providers for COVID-19 that were in place prior to these new arrangements continue until the criteria have been worked through and any changes are agreed, to ensure cash flow. Retrospective reconciliation will be considered at a later stage where appropriate and necessary.
- 4.10** We are also continuing to evaluate additional claims made for extra support for Covid related costs including PPE, staff overtime, agency staff and enhanced sick pay costs. The response rate to the initial letters, including the process to submit claims, had been low at approximately 23% of providers submitting a claim. A further letter was issued to providers on 23 December confirming the updated guidance.
- 4.11** This continues to be a complicated and slow process as additional individual contact has had to be made with each provider to request appropriate back-up not included originally or to complete the declaration that any support claimed has been minimised by any appropriate savings accrued as a result of service restrictions and also net of any other government support e.g. furlough payments. It is anticipated that sustainability will extend into 2021/22.

## **2020/21 Financial Performance Update**

### **Summary Position**

- 4.12** Table 2 below presents the consolidated summary members are familiar with but with the added level of detail of separating the cost of the response to the pandemic.
- 4.13** The current year to date position as at 31 December is an underspend of £2.454m. The projected outturn position (reflecting the January ledger position), with all identified Covid-19 costs being fully funded, is a potential underspend of £2.722m heavily caveated based on current care home numbers and service packages. This consolidated summary position is presented in greater detail within Appendix 3, with the individual Health Care and Social Care reports detailed in Appendix 4.
- 4.14** Members should note that the projected underspend takes into account £7.670m of income and expenditure identified at P9 to be transferred to earmarked reserves which has mainly arisen from various new tranches of funding allocated to the HSCP between December and January as detailed in Appendix 1. Further detail on the anticipated level of reserves is provided within Appendix 7.

**Table 2 : Summary Financial Information as at 31 December 2020**

Summary Financial Information	Annual Budget	Year to Date Budget	Year to Date Actual	Year to Date Variance	Forecast Full Year	Reserves Adjustment	Forecast Variance	Variance %
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	
Health Care	106,275	76,884	76,349	535	102,605	2,965	705	0.7%
Social Care	98,872	68,331	67,384	947	95,900	1,060	1,912	1.9%
Covid-19	11,265	3,612	5,277	(1,665)	7,748	3,517	0	0.0%
<b>Expenditure</b>	<b>216,412</b>	<b>148,827</b>	<b>149,010</b>	<b>(183)</b>	<b>206,253</b>	<b>7,542</b>	<b>2,617</b>	<b>1.2%</b>
Health Care	(3,571)	(2,629)	(2,629)	0	(3,572)	0	1	0.0%
Social Care	(27,998)	(19,548)	(19,603)	55	(28,230)	128	104	-0.4%
Covid-19	0	0	(2,582)	2,582	0	0	0	0.0%
<b>Income</b>	<b>(31,569)</b>	<b>(22,177)</b>	<b>(24,814)</b>	<b>2,637</b>	<b>(31,802)</b>	<b>128</b>	<b>105</b>	<b>-0.3%</b>
Health Care	102,704	74,255	73,720	535	99,033	2,965	706	0.7%
Social Care	70,874	48,783	47,781	1,002	67,670	1,188	2,016	2.8%
Covid-19	11,265	3,612	2,695	917	7,748	3,517	0	0.0%
<b>Net Expenditure</b>	<b>184,843</b>	<b>126,650</b>	<b>124,196</b>	<b>2,454</b>	<b>174,451</b>	<b>7,670</b>	<b>2,722</b>	<b>1.5%</b>

- 4.15** The overall projected net revenue position has improved by £0.618m from the £2.104m financial projected reported to the 26 November HSCP Board Meeting. The main changes are detailed in Appendix 5.
- 4.16** While this is a tentatively welcome projection, it must be considered with caution in that it assumes little in the way of any new demand (as we continue to pay on planned activity pending the criteria for provider sustainability being worked through) for health and social care services. There is also an assumption (as detailed in Table 1 above) that an element of approved savings (Appendix 2) are at risk and this is reflected in the Covid-19 tracker now fully funded by the Scottish Government.
- 4.17** Analysis on the projected annual variances in excess of £0.050m is contained within Appendix 6. Significant variances are further detailed below.
- 4.18** Children and families social care are projecting an overall overspend at this time of approximately £0.301m mainly as a consequence of additional high cost packages, new secure placements and additional support for existing packages. The volatility of secure placements is a well documented risk and will be closely monitored. Also the cost of the additional social worker posts agreed by the HSCP Board is adding pressure. This is an improved projection from the November report as it includes new funding “Winter Plan for Social Protection – Funding for Vulnerable Children Young People” of £0.350m which has been aligned to existing cost pressures for residential care packages, also benefitting Education responsible to fund 50% of residential placements with educational input.
- 4.19** Residential Accommodation for Older People across our own care homes in Clydebank and Dumbarton as well as independent care homes are projecting underspends of £0.451m and £0.846m respectively with the intention to transfer the independent care home underspend to an earmarked reserve at

the end of year to assist in addressing future cost pressures. The consequence of the Coronavirus within care homes across Scotland has been widely reported and assumptions made around occupancy levels on costs and income continues to be refined.

- 4.20** The Care at Home budget was enhanced in 2020/21 to reflect demand and staffing pressures reported throughout 2019/20. There have been additional care home packages to support delayed discharge performance and financial pressures due to the increased use of external providers, however significant elements of this cost has been attributed to the impact of pandemic with £1.035m funded from Covid-19 resources allocated to the HSCP. Taking these adjustments into account the Care at Home budget is reporting a projected underspend of £0.428m however this is due to the level of budget enhancement being greater than required.
- 4.21** HSCP Corporate and Other costs are projected an underspend of £0.408m due to various Scottish Government funding streams not fully allocated at this time. There are some projected savings across a number of services related to vacancies e.g. Strategy and Health Improvement and an accumulation of other smaller variances. These will be considered as part of the 2021/22 budget setting exercise, subject to embedded turnover targets being met across the HSCP which range from 1% to 4% across health and social care.

#### **GP Prescribing for Partnerships in 2020/21**

- 4.22** Primary care prescribing costs represent the one of the main financial risks to the on-going success of the HSCPs mainly due to the scale of the budget, the volatility of global markets, demands for new drugs and vaccines and complicated contract arrangements with Community Pharmacy Scotland around drug tariffs. Add to this the impact of the pandemic on current supply and demand of both common and specialist medicines and the outcome of Britain's Exit from the European Union then future projections must be treated with caution.
- 4.23** The 2020/21 budget includes an increase of 3% to the prescribing budget equating to approximately £0.585m.
- 4.24** While there continues to be short supply issues the largest pressure on short supply pricing, Sertraline, has continued to fall in price from a high at beginning of year. The volume of items dispensed to the end of October (prescribing activity runs approx. 2 months behind) has reduced by around 4.79% or 692,000 items on 19/20 volumes across the NHSGGC area for the same period. The ability to deliver fully on Boardwide prescribing efficiency programmes has also been impacted as community pharmacy teams respond and support GPs during this pandemic.
- 4.25** At this stage, with consideration to all available intelligence and actual figures to the end of October, West Dunbartonshire HSCP is now forecasting an underspend of £0.534m compared to the current overall budget phasing (see



Appendix 3 & 4). At this time the forecast underspend is anticipated to be added to the current earmarked reserve of £0.855m for GP Prescribing to address future cost pressures.

### **Housing Aids and Adaptations and Care of Gardens**

- 4.26** 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 Integration Authorities.
- 4.27** These budgets are managed on behalf of the HSCP Board within West Dunbartonshire Council's 'Roads and Neighbourhood' and 'Housing and Employability' Directorates. The 2020/21 budget for Aids and Adaptations it is £0.250m (unchanged) and for Care of Gardens £0.453 million.
- 4.28** The summary position for the period to 31 December 2020 is reported in the table below and projects that expenditure will be in line with budget, which will be reported as part of WDC's outturn position.

**Table 3: Financial Performance as at 31 December 2020**

<b>Budgets Managed on Behalf of WD HSCP by West Dunbartonshire Council</b>	<b>Annual Budget</b>	<b>Year to Date Actual</b>	<b>Forecast Full Year</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Care of Gardens	453	340	453
Aids & Adaptations	250	188	250
<b>Net Expenditure</b>	<b>703</b>	<b>527</b>	<b>703</b>

### **2020/21 Capital Expenditure**

#### **Health Care**

- 4.29** The progress to date of the individual capital projects funded by WDC and NHSGGC for the Health Social Care Partnership were impacted by the lockdown restrictions through the end of March to end of May. Previous HSCP Board's have updated on the impact of these delays and this is refreshed below.
- 4.30** The HSCP Clydebank Health Quarter Capital Project Board held on 27 January was updated with the key milestones and project interdependencies of the new Clydebank Health and Care Centre.
- 4.31** As per the November report a post Covid-19 programme was agreed and indicated completion by 16 July 2021. However works progress are now being evaluated against this agreed revised programme, the basis of which is that Covid-19 restrictions would not extend beyond Christmas 2020. This now needs to be re-evaluated and a revised programme produced. As previously

reported there is a revenue shortfall which will require to be built into future budgets, however the risk of any revenue shortfall in 2021/22 is minimal due to an earmarked reserve created at the end of 2019/20 to provide mitigation. Officers will be in better position to establish the scale of the issue for 2022/23.

### **Social Care**

- 4.32** A comprehensive update on the progress of the new residential care home - Queen's Quay House was also provided at the 27 January meeting. With regards to Clydebank Care Home, Completion was certified 9 November 2020 with the Statement of Final Account being agreed with the Principal Contractor at a figure less than the cost plan. The residents from the 2 existing Clydebank Care Homes moved into Queens Quay House on 14 and 15 December 2020 with a successful transition and officers in HSCP and Asset Management are progressing the disposal strategy for Mount Pleasant and Frank Downie.
- 4.33** Due to reduced activity in the provision of some aids during the lockdown it is anticipated that the Aids and Adaptations budget of £0.936m will be underspent by £0.354m,

### **2021/22 to 2023/24 Budget Setting Update**

- 4.34** Work continues on 2021/22 to 2023/24 budget projections which include reflecting the priorities set out within the Strategic Plan, current pressures which will impact on future years, known transition packages and demographic pressures.
- 4.35** As informed at the November Board meeting we have continued to work through using the budget projections using the Medium Term Financial Plan (MTFP) 2020/21 to 2024/25 as a baseline.
- 4.36** The Scottish Government announced details of their 2021/22 finance settlements on 28 January 2021. As with 2020/21 the Scottish Government's budget was presented in the context of the UK Government's decision to announce its budget on 3 March 2021. The Scottish Budget Process should see the Budget Bill passed on 9 March 2021. The timetable is set out below:

### **Budget and Budget Bill**

- Wednesday 10 February – Budget and local government settlement 2021-22 – Evidence session with Senior Local Government Representatives;
- Wednesday 17 February – Budget and local government settlement 2021-22 – Evidence session with Scottish Government;
- Thursday 25 February – Stage 1 Debate;
- Monday 8 March – Stage 2 Debate; and
- Tuesday 9 March – Stage 3 Debate and approval

- 4.37** The late UK Budget has required the Scottish Government to present tax and spending plans for Scotland without certainty over the fiscal position in 2021/22. While the budget contains the Scottish Government's best estimate, minimum level of funding that will be available to them in 2021/22 updated economic forecasts and Block Grant Adjustments will only be available when the UK Budget is published.
- 4.38** The Scottish Public Sector Pay Policy for 2021-22 was also published on 28 January and provided for:
- A cash underpin of £750 for those earning £25,000 and below which delivers a minimum pay increase of three per cent to the lowest earners.
  - An above-inflation headline pay increase of one per cent to all those earning between £25,000 and £80,000.
  - A capped increase of £800 for those earning above £80,000.
- 4.39** This is not binding on pay negotiations for local government employees; however it has been used to update the previous 2% uplift included initially.

### **Social Care**

- 4.40** The key funding messages from the budget announcement are contained with a letter from the Cabinet Secretary for Finance dated 28 January 2021 are detailed below with the letter appended to this report as Appendix 10.
- In addition to the £100m available in 2020-21, a further £72.6m to be transferred from the health portfolio to the Local Authorities in-year for investment in adult health and social care and mental health services that are delegated to Integration Authorities under the Public Bodies (Joint Working) (Scotland) Act 2014.
  - This brings the total transferred from the health portfolio to support health and social care integration to £883.6m in 2021-22.
  - The additional £72.6m for local government includes a contribution to continued delivery of the real Living Wage (£34m), uprating of free personal and nursing care payments (£10.1m) and continued implementation of the Carers Act in line with the Financial Memorandum of the Carers Bill (£28.5m).
- 4.41** Finance Circular 1/2021 provides details on the total revenue support grant funding for West Dunbartonshire Council and details the distribution of the £72.6m which is detailed in Table 4 below. It should be noted that the funding for Scottish Living Wage does not consider the cost of this policy on the National Care Home Contract, which is currently under negotiation with Scottish Care, CoSLA and the Scottish Government. The current budget assumption is 4% however this is significantly lower than the uplift submitted by Scottish Care.

**Table 4 – Additional Investment in Health & Social care 2021/22**

<b>Funding</b>	<b>Scotland (£m)</b>	<b>WDC (£m)</b>	<b>Distribution Information</b>
Scottish Living Wage	34.0	0.587	Confirmed within Finance Circular 1.73%
Free Personal and Nursing Care (within NCHC)	10.1	0.098	Confirmed within Finance Circular 0.97%
Carer's Act	28.5	0.492	Confirmed within Finance Circular 1.73%
<b>Total</b>	<b>72.6</b>	<b>1.177</b>	

**4.42** The 28 January letter also states:

*“The funding allocated to Integration Authorities should be additional and not substitutional to each Council’s 2020-21 recurring budgets for adult social care services that are delegated. **This means that, when taken together, Local Authority adult social care budgets for allocation to Integration Authorities must be £72.6 million greater than 2020-21 recurring budgets.**”*

**4.43** The Strategic Lead – Resources presented a report on “*Long Term Financial Strategy Refresh and General Services and Housing Revenue Account Revenue Estimates Update 2021/22 to 202/24*” at the West Dunbartonshire Council meeting of 25 November 2020. This report detailed anticipated Social Care funding for 2021/22 to 2023/24 based on a range of assumptions contained within the refreshed Long Term Financial Strategy.

**4.44** Two key assumptions within the November report were a recalculation of the Council’s prudential reserve target to excludes the requisition to the HSCP (as the HSCP has in place its own prudential target and reserve) and a reduction to the previously reported 2021/22 and 2022/23 draft funding figures (March 2020) of £2.346m and £4.227m respectively to reflect the finance strategy assumption that funding to the HSCP will reduce pro-rata to the gap projection for the Council overall.

**4.45** A report will be submitted to West Dunbartonshire Council on 24 February setting out the Council’s budget gap. Contained within this report is confirmation that the Council is unable to apply the full £2.346m saving anticipated within the LTFS as consequence of the key message regarding recurring budgets for Integration Authorities contained within the budget announcement (section 4.42 of this report). However the projected reduction has not been fully reversed. An amount of £2.066m has been “added back” leaving a savings reduction of £0.280m.

- 4.46** The report further advises that as the key message specifically refers to “*adult social care*” and the Council’s interpretation is considering allocating an additional savings target to the WDHSCP for children and families social care of £0.260m. The Council will consider this and any potential changes to the Scottish Government settlement at a future meeting to be arranged in late March.
- 4.47** Discussions with the Council’s Members Budget Working Group are ongoing and until a confirmed funding offer is made this report is based on the 2020/21 funding allocation less £0.280m plus the full £1.177m of new funding less redetermination adjustments of £0.068m. The anticipated savings target of £0.260m which, at this time, is assumed (if applied) would be baselined and would reduce future Council funding. This is effectively a “flat cash” settlement which effectively means the HSCP are responsible for fully funding staffing pay awards, inflationary uplifts including the National Care Home Contract and demographic impacts itself with no cost pressures funded by the Council. This has been partially achieved by applying future year impacts of previously approved savings and other adjustments as well as reflecting anticipated part year reductions in external care home beds and other packages as services recover from the impact of the pandemic in these areas.
- 4.48** Applying this level of funding, cost pressures and known service changes the social care budget allocation falls significantly short of the draft 2021/22 social care budget of £72.497m, resulting in an indicative budget gap of £1.008m as detailed in Appendix 11. Table 5 below summaries the indicative budget gap for 2021/22 along with further anticipated budget gaps for 2022/23 and 2023/24. The Council will consider the impact of the local government finance settlement for 2020/21 at a future date in March, at which time they will confirm the funding offer to the HSCP Board.

**Table 5 – Social Care Budget Gaps 2021/22 to 2023/24**

	<b>2021/22 (£m)</b>	<b>2022/23 (£m)</b>	<b>2023/24 (£m)</b>
Indicative / Draft Budget	72.497	74.575	76.615
Indicative Funding (no saving target)	71.749	71.039	72.054
<b>Annual Budget Gap</b>	<b>0.748</b>	<b>3.536</b>	<b>4.561</b>
<b>Cumulative Budget Gap</b>	<b>0.748</b>	<b>4.284</b>	<b>8.845</b>
Indicative Funding (saving target applied)	71.489	70.779	71.794
<b>Annual Budget Gap</b>	<b>1.008</b>	<b>3.769</b>	<b>4.821</b>
<b>Cumulative Budget Gap</b>	<b>1.008</b>	<b>4.804</b>	<b>9.625</b>

- 4.49** The HSCP Board Meeting scheduled for 25 March 2021 will be provided a further update on confirmed budget offers and any further amendments to projections, in particular around pay policy; inflationary uplifts and service re-design plans. At that point any identified budget gap will be considered alongside a range of options that may be required to close the anticipated 2021/22 budget gap and is likely to include:

- Savings options and efficiency targets developed by Heads of Service;
- Any potential to realign new funding for Carers Act and Free Personal Care; and
- Application of reserves with a recommendation on a revised reserve policy to be included in the March budget report. As detailed in sections 4.13 – 4.15 and Appendix 7 the projected year end position is further additions to both general and earmarked reserves balances.

## **Health Care**

**4.50** The key funding messages from the budget announcement are contained with a letter from the Interim Director of Health Finance and Governance dated 28 January 2021 are detailed below with the letter appended to this report as Appendix 12.

- All Boards will receive a baseline uplift of 1.5%. This uplift should be applied to Integration Authorities 2020/21 recurring budgets.
- Further investment of £72.6m from Health Portfolio to Local Authorities for investment in adult social care (see section 4.40 above).
- Investment in Primary Care will increase by £45m to £250m. This will support the new GP contract and wider reform.
- To support Mental Health Strategy a further increase of £22.1m will be invested to deliver on Action 15 commitments and improving mental health services for children and young people.
- To support Alcohol and Drugs Partnerships investment of £50m this is a continuation of 2020/21 funding.

**4.51** While NHSGGC have still to make a formal offer the 1.5% uplift will be applied to recurring budgets and the additional investment in Primary Care, Mental Health and ADP will be distributed once final confirmation of allocations are received.

**4.52** Early 2021/22 planning assumptions had anticipated an uplift of between 2%-3%, therefore the actual uplift falls short. However the pay award assumption was also anticipated to be around 3%, but with the offer contained within the Public Sector Pay Policy (see section 4.38 above) this is projected to cost approximately 1.2% on current pay budgets, before adjusting for the cost of increments.

**4.53** Annual increases to GP Prescribing budgets present the greatest financial risk to the partnership covered in detail in sections 4.23 – 4.26 above. Past years average annual increases range from 4%-6% which have exceeded annual uplifts requiring ambitious efficiency programmes and additional investment. During 2020/21 the impact of Covid-19 pandemic and preparations for Britain's exit from the EU has influenced short supply price rises; however this

pressure has been more than contained by the 4.79% reduction in items dispensed. The projected underspend of £0.534m (section 4.25 above) effectively means that the 3% uplift applied to the 2020/21 budget was not required. Given this is available for roll-forward into 2021/22 coupled with the uncertainty of future demand as many restrictions remain in place, it is recommended that the HSCP Board consider an uplift to the 2021/22 prescribing budget equal to the 1.5% uplift. Any risk to this is underwritten with the substantial earmarked reserves balance currently held for prescribing.

- 4.54** These assumptions are set out in more detail within Appendix 13 and if accepted would result in a very minor shortfall in 2021/22 of £0.015m which could be easily absorbed across a variety of non-pays budgets.
- 4.55** Historically health care budgets are agreed for one year only and no indicative future funding offers are agreed with Health Boards. However assuming this years Scottish Government uplift and pay policy is replicated in the future 2 years prescribing pressure returns to pre Covid-19 levels of 5%, Table 6 below summaries the indicative budget gap for 2021/22 along with further anticipated budget gaps for 2022/23 and 2023/24.

**Table 6 – Health Care Budget Gaps 2021/22 to 2023/24**

	<b>2021/22 (£m)</b>	<b>2022/23 (£m)</b>	<b>2023/24 (£m)</b>
Indicative / Draft Budget	97.772	99.487	100.590
Indicative Funding	97.757	98.487	99.662
<b>Annual Budget Gap</b>	<b>0.015</b>	<b>0.685</b>	<b>0.928</b>
<b>Cumulative Budget Gap</b>	<b>0.015</b>	<b>0.700</b>	<b>1.628</b>

## **5. Options Appraisal**

- 5.1** None required.

## **6. People Implications**

- 6.1** Other than any staffing references noted above there are no other people implications known at this time.

## **7. Financial and Procurement Implications**

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

## **8. Risk Analysis**

- 8.1** The main financial risks to the 2020/21 outturn position relate to anticipated increases in demand for some key services such as mental health and other

social care services as the HSCP move through its Covid-19 Recovery and Renewal phases.

**8.2** The ongoing impact of Britain's exit from the European Union on an already Covid depressed UK Economy will have a detrimental impact on public sector funding.

**8.3** In relation to budget setting there are a number of risks in relation to the current and future years including:

- Continued volatility in, and the legacy impact of the Covid-19 pandemic on, demand pressures across the range of community services;
- 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 in respect of the National Care Home Contract;
- Financial impact of the Independent Review of Adult Social Care;
- Delivery of targets and outcomes such as delayed discharge and waiting times;
- 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.

## **9. Equalities Impact Assessment (EIA)**

**9.1** None required.

## **10. Environmental Sustainability**

**10.1** None required.

## **11. Consultation**

**11.1** This report and the projections and assumptions contained within it has been discussed with both council and health board finance colleagues.

## **12. Strategic Assessment**

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



### 13. Directions

13.1 The recurring and non-recurring budget adjustments up to 31 December as detailed within Appendix 1 will require the issuing of a revised direction, see Appendix 14.

**Name** Julie Slavin  
**Designation** Chief financial Officer  
**Date:** 22 February 2021

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**Person to Contact:** Julie Slavin – Chief Financial Officer, Church Street, WDC Offices, Church Street, Dumbarton, G82 1QL.  
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**Appendices:**

- Appendix 1 – 2020/21 Budget Reconciliation
- Appendix 2 – Monitoring of Savings Programmes
- Appendix 3 – HSCP Board Summary
- Appendix 4 – HSCP Partner Summaries
- Appendix 5 – Reconciliation of Movements in Reported Position
- Appendix 6 – Variance Analysis over £50k
- Appendix 7 – Update on Reserves
- Appendix 8 – Social Care Capital Update
- Appendix 9 – Directions Template
- Appendix 10 – Letter from Cabinet Secretary for Finance
- Appendix 11 – Social Care Indicative Budget Gap for 2020/21 to 2023/24
- Appendix 12 – Letter from Interim Director of Health Finance and Governance
- Appendix 13 – Health Care Indicative Budget Gap for 2021/22 to 2023/24

**Background Papers:** Financial Performance and Update Report – Period 6 (26 November 2020)  
<http://www.wdhscp.org.uk/media/2385/wd-hscp-board-document-pack-26-november-2020.pdf>

**[West Dunbartonshire HSCP Board Medium Term Financial Plan 202021 to 202425](#)**

**[Item 9 West Dunbartonshire Council 2021/22 Budget Setting Update Report 24 February 2021](#)**

**Localities Affected:** All

2020/21 Budget Reconciliation	Health Care £000	Social Care £000	Total £000
<b>Budget Approved at Board Meeting on 25 March 2020</b>	<b>96,039</b>	<b>70,650</b>	<b>166,689</b>
Rollover Budget Adjustments	102		102
<b>Period 3 Adjustments</b>			
Microsoft ICT Licences budget vired to West Dunbartonshire Council		(10)	(10)
Ncl Budget Fix 20-21 Gos	2		2
Central Gic Wd	4		4
Discounts Wd	(8)		(8)
Invest To Save Wd	(24)		(24)
Ncl Gds Budget To 2019-20 M12	156		156
Ncl Gds Inc Bud To 2019-20 M12	29		29
Ncl Gos Budget To 2019-20 M12	28		28
Ncl Gps Budget To 2019-20 M12	627		627
Prescontingency Adjs 19/20 Wd	13		13
Rebates Wd	16		16
Gms X Chg Hscps Covid Ac6701	343		343
Camchp06 Covid Ia Funding Wd	898		898
Camchp12 Scottish Living Wage	182		182
Camchp13 Hospice Loss Of Inc	396		396
Wd Camhs Nursing (af)	75		75
Wd Camhs Psychology (af)	82		82
Wd Hscp Anticipated Funding	(174)		(174)
Wd Mh Innov(camhs Admin) (af)	17		17
Alcohol and Drugs Programme for Government Fundng	123		123
Child Services - Specialist Funding	131		131
PCIP Funding	906		906

2020/21 Budget Reconciliation	Health Care £000	Social Care £000	Total £000
<b>Period 4 Adjustments</b>			
CM2000 Licences budget vired to West Dunbartonshire Council		(2)	(2)
Camchp35 Social Care Tranche 2	449		449
Sesp Chd Eat Up - West D	50		50
Sesp Diabetes - Wd	20		20
Wdhscp 20-21 Pays Uplift	0		
Hv Pressures Funding 20 21	150		
Prescribing Uplift 20 21	592		
Rt Uplift 20 21	249		
Smosh Uplift 20 21	104		
Wdhscp 20-21 Uplift	(1,095)		
Wdhscp Rt Adj	0		
Ldl Team From Ld To Hscps	12		12
Alcohol and Drugs Programme for Government Fundng	114		114
Estimated Action 15 Funding	320		320
PCIP Funding	110		110
<b>Period 5 Adjustments</b>			
Covid Funding Social Care Tranche 3	1,300		1,300
Gms X Chg Hscps Covid Ac6701	12		12
Camchp43 Pcip Tr 1 Wdhscp	(154)		(154)
Hscp Ncl 2020-update Fyb	906		906

2020/21 Budget Reconciliation	Health Care £000	Social Care £000	Total £000
<b>Period 6 Adjustments</b>			
Fuel budget vired to West Dunbartonshire Council due to fuel savings (non recurring)		(14)	(14)
Camchp57 Outcome Framework Adj	(10)		(10)
Prescribing Sch4 Budget 20/21	18,149		18,149
Prescribing Sch4 Budget 20/21	(18,149)		(18,149)
Gms X Chg Hscps Covid Ac6701	52		52
Camchp136 Pcip Premises Wdhscp	27		27
Camchp50 Mh Strategy Action 15	(89)		(89)
Camchp56 Pfg Local Impr Fund (Addictions)	66		66
Tranche 2 PCIP Funding	403		403
<b>Period 7 Adjustments</b>			
Camchp64 Wd Covid Allocation	1,747		1,747
Camchp78 Wd Mh Outcomes Fwk	174		174
Wd Camhs Nursing (af)	(75)		(75)
Wd Camhs Psychology (af)	(82)		(82)
Wd Hscp Anticipated Funding	174		174
Wd Mh Innov(camhs Admin) (af)	(17)		(17)

2020/21 Budget Reconciliation	Health Care £000	Social Care £000	Total £000
<b>Period 8 Adjustments</b>			
Pres Cont Adj M06 Gic/ M08	(138)		(138)
Pres Cont Adj M06 Gic/ M08	138		138
Camchp87 Wd Tobacco Prev	30		30
West Dun Share Of Pfg Funding	14		14
Gvp20081 19/20 Tarrif Reduc	(403)		(403)
Gvp20082 20/21 Tarrif Reduc	(504)		(504)
Anticipated Pharmacy Ncl 2020	741		741
Hscp Ncl 2020-reduce Dent Exp	(217)		(217)
Hscp Ncl 2020-reduce Dent Inc	119		119
Camchp71 Wd Pcip Pharmacy	162		162
Gms X Chg Hscps Covid Ac6701	8		8
Gms X Chg Hscps Covid Ac6701	4		4

<b>2020/21 Budget Reconciliation</b>	<b>Health Care £000</b>	<b>Social Care £000</b>	<b>Total £000</b>
<b>Period 9 to 12 Adjustments</b>			
Appropriate Adult Funding		16	16
Other		1	1
CYP Mental Health and Wellbeing Framework		58	58
Grant for Mental Health and Wellbeing		175	175
Camchp109 Wd Asc Winter Plan	1,520		1,520
Camchp121 Wd Covid Adj Pc & Mh	243		243
Hscp Ncl 2020-incr Dent Inc	(44)		(44)
Gms X Chg Hscps Covid Ac6701	0		0
Camchp103 Pcip Tr 2 Wdhscp	254		254
COVID-19 Q1-4 Allocation - Tranch	1,570		1,570
Adult Social Care Winter Plan - Tranche 2	1,000		1,000
Further Integration Authority Support	1,800		1,800
Community Living Change Funding	400		400
Action 15 Funding	300		300
ADP Funding	300		300
PCIF Funding	1,200		1,200
<b>Revised Budget 2020/21</b>	<b>113,969</b>	<b>70,874</b>	<b>184,843</b>

Efficiency Detail	2019/20 Budgeted Amount Not Achieved	Additional 2020/21 Budgeted Amount	Comment	Savings Achieved as Planned	Savings not achieved as planned but funded from Covid	Savings not achieved as planned but covered by overall HSCP underspends
<b>Social Care</b>						
<b>2018/19 Savings Proposals Revised for Public Consultation and Review</b>						
Reduce provision of external residential beds		350	Reduction in numbers in external care homes and change in admission profile	350		0
Housing Support - Spend to Save Project. Move to Core and Cluster Model of Support. Phase 2 - New Build Bungalow	40	140	Saving at risk due to delay in completion of new build and additional work required to assess client suitability. The number of bungalows to be used requires to be clarified which will impact on the ability of this project to generate required savings.		40	140
Review of care packages		100	Saving at risk due to impact on both clients and providers of Covid pandemic			100
						0
<b>2019/20 Savings Based on 27 March Council Meeting</b>						
Redesign of evening meal service - part year	91	100	Pressures remain in care at home service overall		100	91
Redesign overnight nursing service - Home Carer element -Part Year		23	Pressures remain in care at home service overall		23	0
Care at Home - Mileage and Training	13	0	Pressures remain in care at home service overall			13
Care at Home - Review of short break care provision		6	Pressures remain in care at home service overall		6	0
Learning Disability - Provider efficiency - reduction of 1.5% in current care costs over all external providers.		74	Saving at risk due to impact on both clients and providers of Covid pandemic		74	0
Learning Disability - Review in existing Care Packages ongoing process		60	Saving at risk due to impact on both clients and providers of Covid pandemic		60	0
Learning Disability - Reduction of stand-alone single tenancies		30	Saving at risk due to impact on both clients and providers of Covid pandemic		30	0
Learning Disability - Out of Authority Repatriation Part Year		70	Saving at risk due to impact on both clients and providers of Covid pandemic		70	0
Other Minor Budget Changes - EQUIPU as additional capital		20	No risk as additional recharge to capital of appropriate Equipment.		20	0
						0
<b>2019/20 Uplift in income from SFC Agreed by Council on 27 March 2019</b>						
Implement an alarm charge for internal Sheltered Housing based on £5 per week	40	23	This charge has not yet been communicated to tenants and there is an issue with housing charging due to the nature of the HRA account		23	40
Physical Disabilities - Charging £10 for Day opportunity	16	0	Day Services affected by Covid-19			16
						0
<b>2020/21 Baseline Budget Adjustments</b>						
Review of POAB		2	No risk	2		0
Increase Sheltered Housing Income		75	No risk as budgeted income increased in line with historic income received from HRA account	75		0
To reduce residential placements by one bed		32	No risk based on current forecast outturn for service	32		0
Reduce Mental Health Supporting People Budget		132	No risk based on current forecast outturn for service	132		0
Review of LD Service Packages		200	Saving at risk due to impact on both clients and providers of Covid pandemic			200
Review of Mental Health Service Packages		22	No risk based on current forecast outturn for service	22		0

Efficiency Detail	2019/20 Budgeted Amount Not Achieved	Additional 2020/21 Budgeted Amount	Comment	Savings Achieved as Planned	Savings not achieved as planned but funded from Covid	Savings not achieved as planned but covered by overall HSCP underspends
Review of Addiction Packages		30	Saving at risk due to impact on both clients and providers of Covid pandemic			30
Reduction to taxis for social work clients		20	Saving at risk due to impact on both clients and providers of Covid pandemic			20
Removal of JAT Funding		60	No risk as budget removed and no charge to be levied from Education	60		0
Reduction to hospitality budget		2	No risk	2		0
Minor adjustment to Blue Badges and Community Alarms		3	No risk	3		0
Stop admissions to external care home beds, 2 out, 1 in		165	Reduction in numbers in external care homes and change in admission profile	165		0
Further Removal of External Care Home Beds		213	Reduction in numbers in external care homes and change in admission profile	213		0
Invoke Ordinary Resident		69	Ordinary residence accepted by Renfrewshire HSCP from 20 April 2020	69		0
Invoke Ordinary Resident		123	One OR client agreed to be transferred from 24 March 2021, however saving for 2020/21 is at risk due to the timing of transfer and the second OR being explored.			123
Review of Residential Placements reflecting work of Service Improvement Leads		150	Saving at risk due to impact on both clients and providers of Covid pandemic		150	0
Part Year Reduction in Care at Home budget reflecting work of Service Improvement Leads		181	Pressures remain in care at home service overall		181	0
	<b>200</b>	<b>2,475</b>		<b>1,125</b>	<b>777</b>	<b>773</b>



Consolidated Expenditure by Service Area	Annual Budget	Year to Date Budget	Year to Date Actual	Year to Date Variance	Forecast Full Year	Reserves Adjustment	Forecast Variance	Variance %
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	
Older People Residential, Health and Community Care	30,821	21,577	21,425	152	29,335	814	672	2.2%
Care at Home	12,303	8,746	8,533	213	11,875	0	428	3.5%
Physical Disability	2,832	1,900	1,969	(69)	2,971	0	(139)	-4.9%
Childrens Residential Care and Community Services (incl. Specialist)	25,181	17,499	17,797	(298)	25,249	173	(241)	-1.0%
Strategy, Planning and Health Improvement	1,860	1,224	1,062	162	1,551	0	309	16.6%
Mental Health Services - Adult and Elderly, Community and Inpatients	9,574	6,406	6,158	248	8,877	224	473	4.9%
Addictions	3,299	2,163	2,162	1	2,829	293	177	5.4%
Learning Disabilities - Residential and Community Services	12,958	9,260	8,995	265	12,350	113	495	3.8%
Family Health Services (FHS)	29,013	22,000	22,000	0	29,013	0	0	0.0%
GP Prescribing	19,432	14,643	14,161	482	18,898	534	0	0.0%
Hosted Services	7,539	5,403	5,138	265	7,108	410	21	0.3%
Criminal Justice (Including Transitions)	198	33	(9)	42	64	15	119	60.1%
Resource Transfer	16,741	12,556	12,556	0	16,741	0	0	0.0%
Covid-19	11,265	3,612	2,695	917	7,748	3,517	0	0.0%
HSCP Corporate and Other Services	1,827	(372)	(446)	74	(158)	1,577	408	22.3%
<b>Net Expenditure</b>	<b>184,843</b>	<b>126,650</b>	<b>124,196</b>	<b>2,454</b>	<b>174,451</b>	<b>7,670</b>	<b>2,722</b>	<b>1.5%</b>

Consolidated Expenditure by Subjective Analysis	Annual Budget	Year to Date Budget	Year to Date Actual	Year to Date Variance	Forecast Full Year	Reserves Adjustment	Forecast Variance	Variance %
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	
Employee	78,982	53,457	54,497	(1,039)	76,155	3,153	(326)	-1.3%
Property	959	600	583	17	988	0	(29)	1.7%
Transport and Plant	1,360	272	269	3	1,289	0	71	0.2%
Supplies, Services and Admin	4,659	2,684	3,911	(1,227)	5,137	(25)	(453)	-26.3%
Payments to Other Bodies	69,738	50,100	51,426	(1,326)	71,127	1,060	(2,449)	-1.9%
Family Health Services	23,657	17,784	18,112	(328)	24,000	0	(343)	-1.4%
GP Prescribing	24,686	18,753	18,272	481	24,152	534	0	1.9%
Other	12,371	5,178	4,585	592	9,284	2,104	983	4.8%
<b>Gross Expenditure</b>	<b>216,412</b>	<b>148,828</b>	<b>151,655</b>	<b>(2,827)</b>	<b>212,133</b>	<b>6,826</b>	<b>(2,547)</b>	<b>-1.3%</b>
Income	(31,569)	(22,178)	(27,459)	5,281	(37,682)	845	5,268	-16.7%
<b>Net Expenditure</b>	<b>184,843</b>	<b>126,650</b>	<b>124,196</b>	<b>2,454</b>	<b>174,451</b>	<b>7,671</b>	<b>2,721</b>	<b>1.3%</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	Reserves Adjustment £000's	Forecast Variance £000's	Variance %
Planning & Health Improvements	790	546	491	55	697	0	93	11.8%
Childrens Services - Community	3,260	2,433	2,418	15	3,128	0	132	4.0%
Childrens Services - Specialist	1,553	1,092	1,255	(163)	1,685	(60)	(72)	-4.6%
Adult Community Services	9,649	6,894	7,021	(127)	9,563	(32)	118	1.2%
Community Learning Disabilities	625	469	425	44	570	0	55	8.8%
Addictions	2,380	1,414	1,413	1	1,910	293	177	7.4%
Mental Health - Adult Community	4,077	2,716	2,671	45	3,626	224	227	5.6%
Mental Health - Elderly Inpatients	2,686	2,009	1,897	112	2,622	0	64	2.4%
Family Health Services (FHS)	29,013	22,000	22,000	0	29,013	0	0	0.0%
GP Prescribing	19,432	14,643	14,161	482	18,898	534	0	0.0%
Other Services	4,959	2,080	2,274	(194)	3,471	1,596	(108)	-2.2%
Covid-19	11,265	3,612	4,145	(533)	8,465	2,800	0	0.0%
Resource Transfer	16,741	12,556	12,556	0	16,741	0	0	0.0%
Hosted Services	7,539	5,403	5,138	265	7,109	410	20	0.3%
<b>Net Expenditure</b>	<b>113,969</b>	<b>77,867</b>	<b>77,865</b>	<b>2</b>	<b>107,498</b>	<b>5,765</b>	<b>706</b>	<b>0.6%</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	Reserves Adjustment £000's	Forecast Variance £000's	Variance %
Strategy Planning and Health Improvement	1,070	679	571	108	854	0	216	20.2%
Residential Accommodation for Young People	2,804	1,934	1,882	52	2,702	0	102	3.6%
Children's Community Placements	5,696	4,176	4,218	(42)	5,780	0	(84)	-1.5%
Children's Residential Schools	3,738	2,940	3,212	(272)	4,283	0	(545)	-14.6%
Childcare Operations	4,289	3,026	3,110	(84)	4,457	0	(168)	-3.9%
Other Services - Young People	3,839	1,898	1,701	197	3,212	233	394	10.3%
Residential Accommodation for Older People	6,996	4,574	4,348	226	6,545	0	451	6.4%
External Residential Accommodation for Elderly	8,847	6,601	6,599	2	8,001	846	0	0.0%
Sheltered Housing	1,258	1,207	1,221	(14)	1,287	0	(29)	-2.3%
Day Centres Older People	1,173	654	660	(6)	1,187	0	(14)	-1.2%
Meals on Wheels	22	0	(10)	10	2	0	20	90.9%
Community Alarms	(30)	(257)	(257)	0	(30)	0	0	0.0%
Community Health Operations	2,904	1,906	1,843	63	2,779	0	125	4.3%
Residential - Learning Disability	10,244	7,458	7,266	192	9,749	113	382	3.7%
Physical Disability	2,563	1,771	1,840	(69)	2,702	0	(139)	-5.4%
Day Centres - Learning Disability	2,089	1,333	1,304	29	2,031	0	58	2.8%
Criminal Justice (Including Transitions)	198	33	(9)	42	64	15	119	60.1%
Mental Health	2,811	1,681	1,590	91	2,629	0	182	6.5%
Care at Home	12,303	8,746	8,533	213	11,875	0	428	3.5%
Addictions Services	920	750	749	1	919	0	1	0.1%
Equipu	269	129	129	0	269	0	0	0.0%
Frailty	136	131	123	8	113	0	23	16.9%
Carers	717	0	0	0	717	0	0	0.0%
Integrated Change Fund	0	0	0	0	0	0	0	0.0%
Covid-19	0	0	(1,450)	1,450	(717)	717	0	0.0%
HSCP - Corporate	(3,982)	(2,587)	(2,842)	255	(4,457)	(19)	494	-12.4%
<b>Net Expenditure</b>	<b>70,874</b>	<b>48,783</b>	<b>46,331</b>	<b>2,452</b>	<b>66,953</b>	<b>1,905</b>	<b>2,016</b>	<b>2.8%</b>

Reconciliation of Movements in Reported Position between Last Reported and Period 9	Forecast Full Year £000's	Drawdown / (Transfer to) Earmarked Reserves £000's	Drawdown / (Transfer to) Unearmarked Reserves £000's
Period 6 Adverse Variance Reported - Impact on Reserves	2,119	(15)	(2,104)
Period 9 Favourable Variance Reported - Impact on Reserves	10,392	(7,670)	(2,722)
<b>Movement</b>	<b>8,273</b>	<b>(7,655)</b>	<b>(618)</b>
<b>Represented By:</b>			
Increase in anticipated underspend within Strategy and Planning due to funding appropriate staffing costs from Carers Funding and further delay in recruitment of vacant posts.	70	0	(70)
Non recurring improving position within Children & Families Residential Schools mainly due to recharge of unrealised savings and increase in the cost of some packages attributed to the Covid-19 pandemic	193	0	(193)
Recurring reduction in forecast spend within remainder of Children & Families mainly due to increased asylum seeker income which has been reflected in the 2021/22 budget setting exercise and new funding announced relating to Mental Health pressures arising from the Covid-19 pandemic which will be held in an earmarked reserve pending spend commitments being realised in 2021/22	207	(233)	26
Movement within Older People external care homes due to the transfer of Covid related offsetting savings to the LMP financial tracker and the creation of earmarked reserve to assist with unknown legacy impact of covid	(119)	(846)	965
Improving position within Residential Learning Disabilities due to the transfer of covid related costs to the LMP Financial tracker and the recurring transfer of carer respite costs to the Carers budget. Impact reflected in 2021/22 budget setting exercise.	502	0	(502)
Improving position within Care at Home due to the transfer of covid related costs to the LMP Financial tracker.	590	0	(590)
Reductions in actual/anticipated volumes in the current year now result in a forecast underspend of £0.534m within Prescribing which will be added to the existing earmarked reserve would be prudent to add to this reserve to address the potential future supply and price impact the COVID-19 pandemic is likely to have on global drug production. Due to the volatility of the prescribing budget it is not possible to say at this time whether this reduction in volume is recurring or non recurring.	534	(534)	0

Reconciliation of Movements in Reported Position between Last Reported and Period 9	Forecast Full Year £000's	Drawdown / (Transfer to) Earmarked Reserves £000's	Drawdown / (Transfer to) Unearmarked Reserves £000's
Increase in anticipated underspend within hosted services due to current staffing levels and recruitment timescales	204	(205)	0
Improving position within Childrens Community mainly due to staffing vacancies and revised estimates related to Health visitor recharges.	132	0	(132)
Anticipated underspend in social care covid spend and further funding in advance allocated to the HSCP on 11 January to alleviate future cost pressures as the HSCP looks to move through the ongoing pandemic and into recovery.	3,517	(3,517)	0
Further funding of £1.2m allocated to the HSCP in respect of the outstanding balances on the Primary Care Improvement Fund (PCIF) which represents the required funding on the programme to meet the full commitments as set out previously by the Scottish Government and £0.400m to help address the challenges related to delayed discharge for people with complex needs	1,622	(1,730)	108
Improving position within Adult Community mental health and further funding for Action 15 of £0.300m in respect of the outstanding balance held by the Scottish Government allocated to the HSCP on 5 February 2021.	385	(300)	(85)
Improving position with Health Addictions and further funding for ADP of £0.300m in respect of the outstanding balances held by the Scottish Government allocated to the HSCP on 5 February 2021.	376	(300)	(76)
Non recurring movements for various service areas	59	9	(69)
<b>Total</b>	<b>8,273</b>	<b>(7,655)</b>	<b>(618)</b>

Budget Details	Variance Analysis				
	Annual Budget £000	Forecast Full Year £000	Forecast Variance £000	% Variance	RAG Status

**Health Care Variances**

Planning & Health Improvements	790	697	93	12%	↑
Service Description	This service covers planning and health improvement workstreams				
Main Issues / Reason for Variance	Forecast underspend relates to non recurring/discretionary funding and credit re ADP recharge for staff time. Update on commitments pending. Forecast to be updated - transfer to Earmarked Reserve may be required.				
Mitigating Action	None required at this time				
Anticipated Outcome	An underspend is anticipated at this time				

Childrens Services - Community	3,261	3,128	132	4%	↑
Service Description	This care group provides community services for children				
Main Issues / Reason for Variance	Pays pressure in Health Visiting due to regrading to Band 7's has been funded from within the HSCP at current scale point - however future year pressures remain an issue due to incremental progression. Vacancies, mat leave and revised estimate re additional HV recharges will result in forecast underspend. Correction re PCIP Immunisation staff miscoding has increased forecast underspend.				
Mitigating Action	None required at this time				
Anticipated Outcome	An underspend is anticipated at this time				

West Dunbartonshire Health & Social Care Partnership  
 Financial Year 2020/21 period 9 covering 1 April 2020 to 31 December 2020  
 Analysis for Variances Over £0.050m

Appendix 6

Budget Details	Variance Analysis				
	Annual Budget £000	Forecast Full Year £000	Forecast Variance £000	% Variance	RAG Status
Childrens Services - Specialist Service Description Main Issues / Reason for Variance Mitigating Action Anticipated Outcome	1,553	1,625	(72)	-5%	↓
This care group provides specialist services for children SG/NES, WDC Education and Reserves funding to be allocated to fund pressures in CAMHS. Overspend across all staff groups due to incremental pressures remains. None available at this time An overspend is anticipated at this time					
Adult Community Services Service Description Main Issues / Reason for Variance Mitigating Action Anticipated Outcome	9,649	9,531	118	1%	↑
This service provides community services for adults Underspend/unallocated from reallocation of FIT/ICF to Core Budgets is offsetting pressure re Specialist Care Package. Increased underspend due to low activity/usage of AWI beds at Quayside resulting in underspend within Delayed Discharge expenditure line. None required at this time An underspend is anticipated at this time					
Community Learning Disabilities Service Description Main Issues / Reason for Variance Mitigating Action Anticipated Outcome	625	570	55	9%	↑
This service provides community services for persons with learning disabilities Based on current staffing and estimated recruitment timescales. None required at this time An underspend is anticipated at this time					

West Dunbartonshire Health & Social Care Partnership  
 Financial Year 2020/21 period 9 covering 1 April 2020 to 31 December 2020  
 Analysis for Variances Over £0.050m

Appendix 6

Budget Details	Variance Analysis				
	Annual Budget £000	Forecast Full Year £000	Forecast Variance £000	% Variance	RAG Status
Addictions	2,380	2,203	176	7%	↑
Service Description	This care group provides addictions services				
Main Issues / Reason for Variance	Full Year SG Programme for Government Allocation received (reduced by £7k for IA Reserves balance). Core Services pays forecast underspend due to vacant Service Manager and Psychology posts. Increased underspend due to delays in recruitment.				
Mitigating Action	None required at this time				
Anticipated Outcome	An underspend is anticipated at this time				
Mental Health - Adult Community	4,077	3,850	227	6%	↑
Service Description	This care group provides mental health services for adults				
Main Issues / Reason for Variance	Underspend in Core Teams due to vacancies/recruitment delays. Action 15 update pending - forecast and Reserves entries to be updated.				
Mitigating Action	None required at this time				
Anticipated Outcome	An underspend is anticipated at this time				
Mental Health - Elderly Inpatients	2,686	2,622	64	2%	↑
Service Description	This care group provides mental health services for the elderly				
Main Issues / Reason for Variance	Locum Medical Cover in place at VOL Wards, reducing forecast underspend.				
Mitigating Action	None required at this time				
Anticipated Outcome	An underspend is anticipated at this time				



West Dunbartonshire Health & Social Care Partnership  
 Financial Year 2020/21 period 9 covering 1 April 2020 to 31 December 2020  
 Analysis for Variances Over £0.050m

Appendix 6

Budget Details	Variance Analysis				
	Annual Budget £000	Forecast Full Year £000	Forecast Variance £000	% Variance	RAG Status

Other Services	4,958	5,066	(108)	-2%	↓
Service Description	This care group covers administration and management costs in relation to Health Care				
Main Issues / Reason for Variance	Anticipated overspend of £0.108m due to costs of service improvement lead, however this is slightly offset by Tranche 1 & 2 PCIF SG allocations received. Forecast assumes allocations fully committed - however final quarter recruitment to be confirmed - potential for underspend within PCIF which would need to be transferred to Earmarked Reserve.				
Mitigating Action	None required at this time				
Anticipated Outcome	An overspend is anticipated at this time				

**Social Care Variances**

Strategy Planning and Health Improvement	1,070	854	216	20%	↑
Service Description	This service covers planning and health improvement workstreams				
Main Issues / Reason for Variance	The favourable variance of £0.216m is due to a number of vacant posts within the service.				
Mitigating Action	None required as this time				
Actual Outcome	An underspend is anticipated at this time				

West Dunbartonshire Health & Social Care Partnership  
 Financial Year 2020/21 period 9 covering 1 April 2020 to 31 December 2020  
 Analysis for Variances Over £0.050m

Appendix 6

Budget Details	Variance Analysis				
	Annual Budget £000	Forecast Full Year £000	Forecast Variance £000	% Variance	RAG Status
Residential Accommodation for Young People	2,805	2,702	102	4%	↑
Service Description	This service provides residential care for young persons				
Main Issues / Reason for Variance	The favourable variance of £0.102m is mainly due to an underspend in staffing £0.100m (resulting from overtime and sessional costs being recharged to Covid)				
Mitigating Action	None required as this time				
Anticipated Outcome	An underspend is anticipated				
Children's Community Placements	5,696	5,780	(84)	-1%	↓
Service Description	This service covers fostering, adoption and kinship placements				
Main Issues / Reason for Variance	The adverse variance of £0.084m is mainly due to increased costs within community placements of £0.077m. While external foster placements are anticipated to overspend by £0.200m this is offset by an underspend in internal foster payments of £0.075mk and overachievement of interagency income £0.102m.				
Mitigating Action	Service Managers will continue to review placements				
Anticipated Outcome	Over spend anticipated of £0.084m at this time				

West Dunbartonshire Health & Social Care Partnership  
 Financial Year 2020/21 period 9 covering 1 April 2020 to 31 December 2020  
 Analysis for Variances Over £0.050m

Appendix 6

Budget Details	Variance Analysis				
	Annual Budget £000	Forecast Full Year £000	Forecast Variance £000	% Variance	RAG Status
Children's Residential Schools	3,738	4,283	(545)	-15%	↓
Service Description	This service area provides residential education for children and includes the costs of secure placements				
Main Issues / Reason for Variance	The projected overspend is due to 9 unbudgeted residential placements at a cost of £0.799m and additional costs on existing placements of £0.201m. These costs are partially offset by application of funding from Scottish Government for Winter Planning Social Protection of £0.178m and Covid-19 related delays aligned to the LMP financial tracker of £0.276m.				
Mitigating Action	Service Managers will continue to review placements				
Anticipated Outcome	Over spend anticipated of £0.546mm at this time				
Childcare Operations	4,289	4,457	(168)	-4%	↓
Service Description	This service area is mainly comprised of staffing costs and includes the cost of social workers				
Main Issues / Reason for Variance	The adverse variance of £0.168m is mainly due to the unbudgeted impact of new social worker posts and agency costs of £0.200m. This overspend is partially offset by various underspends of £0.032m				
Mitigating Action	None available at this time				
Anticipated Outcome	An overspend is anticipated at this time				

West Dunbartonshire Health & Social Care Partnership  
 Financial Year 2020/21 period 9 covering 1 April 2020 to 31 December 2020  
 Analysis for Variances Over £0.050m

Appendix 6

Budget Details	Variance Analysis				
	Annual Budget £000	Forecast Full Year £000	Forecast Variance £000	% Variance	RAG Status
Other Services - Young People	3,839	3,445	394	10%	↑
Service Description	This service area is mainly comprised of staffing costs and includes the cost of social workers				
Main Issues / Reason for Variance	The favourable variance of £0.394m is mainly due to additional income received from home office for Asylum Seekers of £0.332m and savings of £0.062m relating to employees travel and taxi costs.				
Mitigating Action	None required as this time				
Anticipated Outcome	An underspend is anticipated at this time				
Residential Accommodation for Older People	6,996	6,545	451	6%	↑
Service Description	WDC owned residential accommodation for older people				
Main Issues / Reason for Variance	The favourable variance of £0.451m is mainly due staffing restructure delays in Queens Quay of £0.657m partially offset by and underachievement in income of £0.149m due the delay in opening Queens Quay and savings of £0.057m relating to food, etc which has been recharged to Covid.				
Mitigating Action	None required as this time				
Anticipated Outcome	While an underspend is anticipated at this time, long term the outcome is harder to predict as costs are dependent on recruitment and full utilisation of the available beds to realise income projections.				

West Dunbartonshire Health & Social Care Partnership  
 Financial Year 2020/21 period 9 covering 1 April 2020 to 31 December 2020  
 Analysis for Variances Over £0.050m

Appendix 6

Budget Details	Variance Analysis				
	Annual Budget £000	Forecast Full Year £000	Forecast Variance £000	% Variance	RAG Status
Community Health Operations	2,905	2,779	125	4%	↑
Service Description	Adult services				
Main Issues / Reason for Variance	The favourable variance of £0.125m is mainly due to vacancies and secondments not backfilled £0.055m and staffing recharge to housing of £0.051m.				
Mitigating Action	None required as this time				
Anticipated Outcome	An underspend is anticipated at this time				
Residential - Learning Disability	10,244	9,862	382	4%	↑
Service Description	This service provides residential care for persons with learning disabilities				
Main Issues / Reason for Variance	The favourable variance of £0.382m is mainly due to an anticipated underspend in staffing of £0.152m represented by vacant posts and alignment of Carers Act monies. The cost of client packages is showing an overspend of £0.147m, however this is offset by a net underspend of £0.056m across other spend lines. Additionally costs of £0.332m have been recharged against Covid for inability to deliver on planned savings programmes as providers have been paid based on planned pre-Covid activity.				
Mitigating Action	None required as this time				
Anticipated Outcome	An underspend is anticipated at this time				

West Dunbartonshire Health & Social Care Partnership  
 Financial Year 2020/21 period 9 covering 1 April 2020 to 31 December 2020  
 Analysis for Variances Over £0.050m

Appendix 6

Budget Details	Variance Analysis				
	Annual Budget £000	Forecast Full Year £000	Forecast Variance £000	% Variance	RAG Status
Physical Disability	2,563	2,702	(139)	-5%	↓
Service Description	This service provides physical disability services				
Main Issues / Reason for Variance	The adverse variance of £0.139m is due to unbudgeted client activity.				
Mitigating Action	None required as this time				
Anticipated Outcome	An overspend is anticipated at this time				
Day Centres - Learning Disability	2,089	2,031	58	3%	↑
Service Description	This service provides day services for learning disability clients				
Main Issues / Reason for Variance	Vacant posts and recharge of post to carer acts of £24k, Diesel cost assumed £9k reduction as reduced bus service and employee transport by £3k, reduced food costs at café £21k - currently snack service to users crisis care service				
Mitigating Action	None required as this time				
Anticipated Outcome	An underspend is anticipated at this time				
Criminal Justice (Including Transitions and VAW)	198	79	119	60%	↑
Service Description	This service provides support and rehabilitation for offenders				
Main Issues / Reason for Variance	The favourable variance of £0.119m is due to the impact of the pandemic on Criminal Justice activity arising from the closure of courts and the impact on unsupervised work and drug testing numbers.				
Mitigating Action	None required as this time				
Anticipated Outcome	An underspend is anticipated at this time				

West Dunbartonshire Health & Social Care Partnership  
 Financial Year 2020/21 period 9 covering 1 April 2020 to 31 December 2020  
 Analysis for Variances Over £0.050m

Appendix 6

Budget Details	Variance Analysis				
	Annual Budget £000	Forecast Full Year £000	Forecast Variance £000	% Variance	RAG Status
Mental Health	2,811	2,629	182	6%	↑
Service Description	This service provides mental health services				
Main Issues / Reason for Variance	The favourable variance of £0.182m is mainly due to an underspend in staffing costs of £0.102m (due to vacant posts), client packages of £0.045m and an overachievement of income of £0.054m due to HB income to be received for Lomond and Clyde Advocacy Services.				
Mitigating Action	None required as this time				
Anticipated Outcome	An underspend is anticipated at this time				
Care at Home	12,303	11,875	428	3%	↑
Service Description	This service provides care at home which includes personal care and minor domestic tasks				
Main Issues / Reason for Variance	The unadjusted forecast outturn is an adverse variance of £0.607m which is mainly due to an overspend in staffing costs of £0.115m, increase packages supported by external providers of £0.303m, an increase in the supplies and services of £0.041m (increase in mobile replacement costs and text messaging services) and an underachievement in income recovery of £0.117m due to a reduction in charges levied on clients in relation to practical care. However costs of £1.035m have been tracked across the LMP Covid-19 Financial Tracker.				
Mitigating Action	Officers continue to review packages and seek to balance internal and external				
Anticipated Outcome	An overspend is anticipated at this time				

West Dunbartonshire Health & Social Care Partnership  
 Financial Year 2020/21 period 9 covering 1 April 2020 to 31 December 2020  
 Analysis for Variances Over £0.050m

Appendix 6

Budget Details	Variance Analysis				
	Annual Budget £000	Forecast Full Year £000	Forecast Variance £000	% Variance	RAG Status
HSCP - Corporate	(3,982)	(4,476)	494	-12%	↑
Service Description	This budget contains Corporate spend and income pending allocation to services				
Main Issues / Reason for Variance	The favourable variance of £0.497m is mainly due to a non recurring underspend of £0.150m within investment in integration and additional Covid-19 funding of £0.270m for Scottish Living Wage.				
Mitigating Action	None required as this time				
Anticipated Outcome	An underspend is anticipated at this time				



Analysis of Reserves	Opening Balance as at 1 April 2020	Movement in Reserves	Closing Balance as at 31 March 2021	Notes
	£000	£000	£000	
<b>Unearmarked Reserves</b>				
Unearmarked Reserves	(2,809)	(2,722)	(5,531)	Current Prudential Reserve Target is set at 2%
<b>Total Unearmarked Reserves</b>	<b>(2,809)</b>	<b>(2,722)</b>	<b>(5,531)</b>	
<b>Earmarked Reserves</b>				
Criminal Justice	(95)	(15)	(110)	Anticipated underspend related to transitions transferred to earmarked reserve
Carers Funding	(183)	0	(183)	A further £0.200m funding is available in 2020/21 budget, however in light of the current circumstances and the potential requirement to provide additional support to carers it is prudent to retain this reserve for 2020/21.
Social Care Fund - Living Wage	(678)	0	(678)	In 2019/20 £0.095m drawdown from reserves related to Cornerstone Settlement. Remaining reserve retained in light of the outcome of supplier negotiations in 2019/20 and early responses to the 2020/21 living wage offer.
Service Redesign and Transformation	(642)	19	(623)	£0.19m Drawdown relates to payment for SACRO service. Remaining reserve retained to fund future transformation project related costs.
Learning Disability	0	(113)	(113)	Creation of learning disability reserve from funding received from East Renfrewshire Reserves in relation to resources claimed for one very high cost LD package for a male now being supported within the community.
Care Homes	0	(846)	(846)	Newly created reserve to deal with the unknown legacy impact of covid on the care home sector.
Unscheduled Care Services	(500)	0	(500)	Unscheduled care services in Greater Glasgow & Clyde are facing an unprecedented level of demand. To meet the twin challenges of rising demand and patient needs and deliver the high standards of care aspired to significant changes are required. This new reserve has been created to cover initial work outlined in the Strategic Commissioning Plan for Unscheduled Care Services in Greater Glasgow & Clyde 2020-2025.
GIFREC NHS	(72)	0	(72)	Scottish Government earmarked non recurring funding with conditions of spend - Information sharing/technology portal development in relation to GIRFEC for HSCP's. While £0.027m has been drawn down in 2019/20 further planned spend via NHSGGC in 2020/21 will require drawdown from this reserve.
DWP Conditions Management	(169)	4	(165)	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 redundancy payments - however NHS has no redundancy policy, therefore funding aligned to alternative posts and pay protection for affected employees. While £0.004m is anticipated to be drawn down in 2020/21 the drawdown required year on year will vary as it is dependant on placement of displaced staff.
TEC (Technology Enabled Care) Project	(122)	32	(90)	Scottish Government non recurring grant funding for technology enabled care project. While £0.032m is anticipated to be drawn down in 2020/21 at this time it is anticipated that fixed term post and purchase of equipment and text bundles will see reserves fully drawn down by the end of 2020/21.

Analysis of Reserves	Opening Balance as at 1 April 2020	Movement in Reserves	Closing Balance as at 31 March 2021	Notes
	£000	£000	£000	
Physio Waiting Times Initiative	(247)	(301)	(548)	This reserve has been created from staff underspends within hosted MSK physiotherapy service, mainly due to high levels of staff turnover and some long term sickness absence. The intended purpose of the Earmarked Reserve is to ensure delays/pressures in waiting times can be addressed. The impact of Covid19 has created delays in implementing strategies and recruiting to waiting times posts. The social distancing requirements of the pandemic has had a significant impact on service delivery and further impacted waiting times. Recovery plans will require to offer some solutions and alternatives to traditional treatment methods. It is anticipated that due to recruitment delays at the height of the first wave/lockdown, and the phased/alternative approaches required to remobilise services, the in year staffing underspend trend will continue in 20/21, and will be added to the Earmarked Reserve to help address the waiting times pressure when circumstances allow.
Retinal Screening Waiting List Grading Initiative	(24)	(109)	(133)	Reserve created from previous year underspend within hosted retinal screening service to allow for funding of fixed term post and/or additional staff hours to address grading backlog. Staff turnover, recruitment delays and impact of Covid19 have resulted in a continuation of underspend trend in 20/21. (Screening Services were paused during lockdown). It is expected the forecast in year underspend will be added to the Earmarked Reserves balance and made available to the hosted retinal screening service to address grading backlog/waiting times and for potential replacement or repair of essential equipment (Camera's) where required.
Prescribing Reserve	(855)	(534)	(1,389)	This reserve was newly created in 2018/19 in preparation of the UK's exit from the European Union. While the UK has now left the European Union (EU) and the transition period has now passed there is an ongoing risk of anticipated increases in drug costs arising from short supply. Reductions in actual/anticipated volumes in the current year now result in a forecast underspend of £0.534m which would be prudent to add to this reserve to address the potential future supply and price impact the COVID-19 pandemic is likely to have on global drug production and distribution as well as the risk that to Greater Glasgow and Clyde boardwide prescribing efficiency programmes will be unable to fully achieve anticipated savings that were built into budgets pre COVID19. This increased reserve represents 7.14% of the 20/21 approved prescribing budget.
Mental Health Action 15	(76)	(224)	(300)	This reserve was required to fund Action 15 expenditure - initially the Scottish Government confirmed that HSCP's should fully draw down reserves before further allocations of funding are released and so the full opening reserve of £0.076m was drawn down to fund in year spend. Further funding for Action 15 of £0.300m in respect of the outstanding balance held by the Scottish Government was allocated to the HSCP on 5 February 2021 and will be added to this earmarked reserve at the end of 2020/21 pending expenditure commitments being realised.

Analysis of Reserves	Opening Balance as at 1 April 2020	Movement in Reserves	Closing Balance as at 31 March 2021	Notes
	£000	£000	£000	
Alcohol and Drug Partnership	(7)	(293)	(300)	This reserve was required to fund ADP Local Improvement expenditure - initially the Scottish Government confirmed that HSCP's should fully draw down reserves before further allocations of funding are released and so the full reserve of £0.007m has now been drawn down to fund in year spend. Further funding for ADP of £0.300m in respect of the outstanding balances held by the Scottish Government was allocated to the HSCP on 5 February 2021 and will be added to this earmarked reserve at the end of 2020/21 pending expenditure commitments being realised.
CAMHS	(171)	60	(111)	The service continues to face significant increased demand alongside critical staffing challenges which in turns impacts on waiting time performance. This reserve has been created to provide additional support to the team to enable them to see more children and young people with mental health issues and improve our performance against the 18 week referral-to-treatment target. At this time it is anticipated that £0.060m will be drawn down to fund associated staffing costs.
Primary Care Boardwide MDT	(27)	0	(27)	NRAC Share of non recurring ring-fenced funding allocated to hosted Primary Care (Renfrewshire HSCP) for Board Wide Multi-Disciplinary Team post in relation to PCIP. Each HSCP were transferred their share to Earmark at year end from Renfrewshire (host).
Child Health Weight (Henry Programme)	(15)	0	(15)	Non Recurring ring-fenced funding for Child Healthy Weight HENRY Programme. Each HSCP received their allocation from Corporate Public Health at year end – so Reserve required to be created as programme not yet underway.
Infant Feeding PFG Funding	(30)	0	(30)	Non recurring ring-fenced funding of joint initiative with Inverclyde HSCP. Shared post and funding for media awareness etc – no one in post – Reserve created to earmark funding for 20/21 when expenditure will be incurred.
Health Centre	(250)	0	(250)	The revenue costs anticipated Health Centre due for completion in 2021 are £0.250m more than currently budgeted as reported to the HSCP Board throughout 2019/20. This burden will be built into future budgets, however an earmarked reserve is being created to allow time to generate options for funding this budget gap.
COVID-19 Recovery	(515)	0	(515)	It is anticipated that once the risk of transmission of COVID-19 has reduced that there will be an increase in demand for support within the community resulting in an increased cost of service provision.
COVID-19 Pressures		(3,517)	(3,517)	Further funding was allocated to the HSCP on 11 January to both fully fund the anticipated Covid-19 expenditure in 2020/21 and to provide funding in advance to alleviate future cost pressures as the HSCP looks to move through the ongoing pandemic and into recovery. Due to further refinement of the LMP financial tracker additional offsetting savings of £0.717m within social care have been attributed to the pandemic and therefore the anticipated Covid costs in 2020/21 have reduced by this amount. When this anticipated underspend is added to the funding received in advance of £2.8m this results in a total balance of £3.517m to be held in earmarked reserves pending spending plans being realised in 2021/22.

Analysis of Reserves	Opening Balance as at 1 April 2020	Movement in Reserves	Closing Balance as at 31 March 2021	Notes
	£000	£000	£000	
Community Living Change Fund		(400)	(400)	New funding allocated to the HSCP to help address the challenges related to delayed discharge for people with complex needs. This funding was confirmed on 11 January and further guidance is anticipated. Glasgow chief officers have agreed that this funding will be used to support learning disabilities complex care redesign currently underway.
Childrens Mental Health and Wellbeing		(233)	(233)	New funding received to continue the Community Mental Health & Wellbeing Supports work and establish Mental Health and Emotional Wellbeing Services for Children Young People and their families impacted by the Covid-19 Pandemic. This funding was confirmed on 11 January and the current expectation is that it will be held in earmarked reserves pending spending commitments being realised in 2021/22.
Unachievement of Savings	(485)	0	(485)	The response to COVID-19 has put a number of savings that were built into 2020/21 budgets approved in March at risk of not being achieved and has resulted in the creation of this reserve to provide services additional time to mobilise plans agreed. The action plan around Self Directed Support including the agreement of robust eligibility criteria will impact on the success of savings delivery.
PCIF		(1,200)	(1,200)	Further funding of £1.2m has been allocated to the HSCP in respect of the outstanding balances on the Primary Care Improvement Fund (PCIF). This represents the required funding on the programme to meet the full commitments as set out previously by the Scottish Government. This will be held in an earmarked reserve at the end of 2020/21 pending expenditure commitments being realised.
PCIP Premises	(91)	0	(91)	This is the Scottish Government non recurring funding (allocated in 2 tranches) for PCIP Premises Improvements. SG advised that all PCIP expenditure should be charged against existing Reserves first – so the PCIP Reserves of £482k and £260k have been drawn-down and a new Reserve created for this which is specifically PCIP Premises and spend needs to link with Primary Care Board Colleagues overview. A premises group established to review and approve bids and some proposals were approved with expenditure anticipated to be incurred in 20/21. However the pandemic has impacted on activity and works have not taken place resulting in this reserve carrying forward into 2021/22.
<b>Total Earmarked Reserves</b>	<b>(5,254)</b>	<b>(7,670)</b>	<b>(12,924)</b>	
<b>Total Reserves</b>	<b>(8,063)</b>	<b>(10,392)</b>	<b>(18,455)</b>	

Month End Date 31 December 2020

Period 9

Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Variance	
	£000	£000	%	£000	£000	%

Special Needs - Aids & Adaptations for HSCP clients						
Project Life Financials	936	355	38%	583	0	0%
Current Year Financials	936	355	38%	582	(354)	-38%
Project Description						
Project Lifecycle	Planned End Date		31-Mar-21	Forecast End Date		31-Mar-21
<b>Main Issues / Reason for Variance</b>						
This budget is for the Reallocation of expenditure currently coded through HSCP Revenue Aids & Adaptations budget. Rephasing of £0.354m to 2021/22 is due to Covid-19 restrictions on entering households to assess and carry out adaptations. This has led to a backlog of assessments which will require to be accelerated to support the HSCP's strategic priority to support people to remain at home for as long as possible. Therefore £0.354m is required to be carried forward into 2021/22 to support this.						
<b>Mitigating Action</b>						
None available at this time						
<b>Anticipated Outcome</b>						
Provision of adaptations and equipment to HSCP clients as anticipated.						

Month End Date 31 December 2020

Period 9

Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Variance	
	£000	£000	%	£000	£000	%

<b>Replace Elderly Care Homes and Day Care Centres</b>						
Project Life Financials	27,468	26,814	98%	27,502	34	0%
Current Year Financials	2,377	2,194	92%	2,412	35	1%
Project Description	Design and construction of replacement elderly care homes and day care centres in Dumbarton and Clydebank areas.					
Project Lifecycle	Planned End Date	24-Apr-20	Forecast End Date	06-Nov-20		
<b>Main Issues / Reason for Variance</b>						
<p>Dumbarton Care Home achieved practical completion on 28 April 2017. There is one outstanding recorded defect which is in the process of being rectified relating to the Combined Heat &amp; Power (CHP) engine and accordingly a small amount of retention has been withheld. With regards to Clydebank Care Home, Completion was certified 9 November 2020. The Statement of Final Account has been agreed with the Principal Contractor at a figure less than the cost plan and as such officers have adjusted the projected outturn to report the project will be delivered on budget. The residents from the 2 existing Clydebank Care Homes moved into Queens Quay House on 14 and 15 December 2020 with a successful transition. Officers in HSCP and Asset Management are progressing the disposal strategy for Mount Pleasant and Frank Downie.</p>						

Month End Date 31 December 2020

Period 9

Budget Details	Project Life Financials					
	Budget	Spend to Date		Forecast Spend	Variance	
	£000	£000	%	£000	£000	%

**Mitigating Action**  
 COVID-19 outbreak and delays in the delivery of infrastructure serving the site has impacted upon the project programme, costs and risks. Due to the complexity of working within a Masterplan development, our ability to mitigate issues was restricted to only those within our direct project control. Officers are maintaining regular communications with the District Heating Teams, in the post construction phase. The statement of final account has been signed and financial risk exposure should be reduced through efforts to dispose of the existing properties at the earliest opportunity.

**Anticipated Outcome**  
 Dumbarton Care Home opened 2017. Clydebank Care Home was certified complete on 9 November 2020 and projected to deliver on budget.

The Chief Officer will issue the following direction email directly after Integration Joint Board approval.

**From:** Chief Office HSCP  
**To:** Chief Executives WDC and NHSGCC  
**CC:** HSCP Chief Finance Officer, HSCP Board Chair and Vice-Chair  
**Subject:** For Action: Directions from HSCP Board 25 February 2021

**Attachment: Financial Performance and Update Report as at 31 December 2020**

Following the recent Integration Joint Board meeting, the direction below have been issued under S26-28 of the Public Bodies (Joint Working) (Scotland) Act 2014. Attached is a copy of the original HSCP Board report for reference.

DIRECTION FROM WEST DUNBARTONSHIRE HEALTH AND SOCIAL CARE PARTNERSHIP BOARD		
1	Reference number	HSCP B000003JS25022021.
2	Date direction issued by Integration Joint Board	25 February 2021
3	Report Author	Julie Slavin, Chief Financial Officer
4	Direction to:	West Dunbartonshire Council and NHS Greater Glasgow and Clyde jointly
5	Does this direction supersede, amend or cancel a previous direction – if yes, include the reference number(s)	Yes HSCP B000002JS26112020.
6	Functions covered by direction	All delegated Health and Care Services as set-out within the Integration Scheme
7	Full text and detail of direction	West Dunbartonshire Council is directed to spend the delegated net budget of £70.874m in line with the Strategic Plan and the budget outlined within this report. NHS Greater Glasgow and Clyde is directed to spend the delegated net budget of £113.969m in line with the Strategic Plan and the budget outlined within this report
8	Specification of those impacted by the change	2020/21 Revenue Budget for the HSCP Board will deliver on the strategic outcomes for all delegated health and social care services and our citizens.
9	Budget allocated by Integration Joint Board to carry out direction	The total 2020/21 budget aligned to the HSCP Board is £215.238m. Allocated as follows: West Dunbartonshire Council - £70.874m NHS Greater Glasgow and Clyde - £113.969m Set Aside - £30.395m
10	Desired outcomes detail of what the direction is intended to achieve	Delivery of Strategic Priorities
11	Strategic Milestones	Maintaining financial balance in 2020/21
		30 June 2021
12	Overall Delivery timescales	30 June 2021.



13	Performance monitoring arrangements	Each meeting of the HSCP Board will consider a Financial Performance Update Report and a Year-End Report in line with Annual Accounts statutory timetable.
14	Date direction will be reviewed	The next scheduled HSCP Board 25 March 2021

Rùnaire a' Chaibineit airson Ionmhas  
Ceit Fhoirbheis BPA  
Cabinet Secretary for Finance  
Kate Forbes MSP



Scottish Government  
Riaghaltas na h-Alba  
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T: 0300 244 4000  
E: [scottish.ministers@gov.scot](mailto:scottish.ministers@gov.scot)

Councillor Alison Evison  
COSLA President  
Verity House  
19 Haymarket Yards  
Edinburgh  
EH12 5BH

Copy to: The Leaders of all Scottish local authorities

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28 January 2021

Dear Alison,

Today I set out the Scottish Government's proposed Budget, including tax and public sector pay policies for 2021-22 and introduced the associated Budget Bill to Parliament. Further to the announcement I write now to confirm the details of the local government finance settlement.

The intention is that details of the indicative allocations to individual local authorities for 2021-22 will be published on Monday 1 February in a Local Government Finance Circular which will begin the statutory consultation period on the settlement.

COVID-19 has taken a heavy toll on our society, communities and lives. While the local impacts have undoubtedly been severe in many areas, our communities have also shown an enduring resolve in a time of great crisis. I am indebted to local authorities in continuing to support their communities and to deliver vital public services and for the central role in administering financial support to our businesses under the most significant of pressures.

The physical and mental ill-health caused by COVID-19, together with the economic impacts, including loss of businesses and jobs, have in turn impacted people's standards of living and put many more on the cusp of financial insecurity, with the risks of poverty and homelessness that brings. There have been significant consequences for education and our communities have felt the economic impacts sharply in how we travel, live, work, and shop. Our Budget responds to those challenges.

The total non-COVID-19 revenue funding to be provided through the settlement for 2021-22 will be £11,003.4 million, which includes distributable non-domestic rates incomes of £2,631 million.

The Capital settlement has been set at £617 million.

The total funding which the Scottish Government will provide to local government in 2021 -22 through the settlement is therefore £11,620.4 million, and includes;

- £59 million revenue to support the final tranche of increased funding for the expansion in funded Early Learning and Childcare entitlement to 1,140 hours;
- In addition to the £100 million available in 2020-21, a further £72.6 million to be transferred from the health portfolio to the Local Authorities in-year for investment in adult health and social care and mental health services that are delegated to Integration Authorities under the Public Bodies (Joint Working) (Scotland) Act 2014. This brings the total transferred from the health portfolio to support health and social care integration to £883.6 million in 2021-22. The additional £72.6 million for local government includes a contribution to continued delivery of the real Living Wage (£34 million), uprating of free personal and nursing care payments (£10.1 million), continued implementation of the Carers Act in line with the Financial Memorandum of the Carers Bill (£28.5 million);
- The ongoing £88 million to maintain the pupil:teacher ratio nationally and secure places for all probationers who require one under the teacher induction scheme;
- Continued provision in support of Teachers Pay (£156 million) and Pensions (£97 million);
- An increase of £7.7 million in the specific grant support for Inter-Island Ferries bringing the total to £19.2 million;
- £5.3 million for Barclay implementation costs; and
- The capital settlement includes an uplift in provision for flood risk schemes of £10 million.

In recognition of the unique pressures created by the pandemic the settlement also includes an additional £90 million available to compensate councils who choose to freeze their council tax at 2020-21 levels, helping to protect household incomes. This additional allocation provides compensation to support services and equates to an increase in council tax of around 3%.

Including the additional funding to compensate for a council tax freeze the revenue allocation delivers an increase for local government for 2021-22 compared to 2020-21 of £335.6 million or 3.1% to support services.

I can also confirm local government will be allocated a further £259 million of non-recurring COVID-19 funding for 2021-22. The distribution of this funding, which will be provided as general revenue grant, will be discussed and agreed with COSLA.

Local authorities will again, in return for this settlement, be expected to deliver further certain specific commitments.

This year, we will again work with local government to agree a small number of deliverable outcomes to help ensure Integration Authorities use total resources to focus on delivery of key areas for improvement, including: reducing delayed discharges; improving availability of, and access to, community-based health and social care services; and ensuring more people are

supported to stay at home. We will also wish to ensure that the social care workforce is supported and sustained during and following the challenges of the Covid pandemic. We will provide support and challenge by working with local government to agree a shared national and local approach to accountability for delivery, building upon existing shared mechanisms for routine reporting of expenditure, activity and outcomes across Scotland.

The funding allocated to Integration Authorities should be additional and not substitutional to each Council's 2020-21 recurring budgets for adult social care services that are delegated. This means that, when taken together, Local Authority adult social care budgets for allocation to Integration Authorities must be £72.6 million greater than 2020-21 recurring budgets.

The Scottish Government, in partnership with local authorities, retains the ambition of empowering schools to make key decisions over areas such as the curriculum, budgets and staffing while continuing to deepen collaboration across the education sector. In recognising that teachers are central to achieving our ambition of delivering excellence and equity in Scottish education we will continue to commit an overall funding package of £88 million in the local government finance settlement to support both maintaining the pupil teacher ratio at a national level and ensuring that places are provided for all probationers who require one under the teacher induction scheme.

We will continue to invest in the Attainment Scotland Fund to deliver the Scottish Attainment Challenge. This will see each local authority area continue to benefit from over £120 million in Pupil Equity Funding (PEF), which will go directly to headteachers to provide additional support to help close the poverty-related attainment gap and overcome barriers to learning linked to poverty. This is in addition to the £62 million in Attainment Scotland Funding allocated to LAs outwith the local government finance settlement. This funding will continue to provide authorities and schools with additional means to provide targeted literacy, numeracy and health and wellbeing support for children and young people most impacted by poverty.

On non-domestic rates, the Scottish Budget commits, within the fiscal limitations of the devolved settlement, to extending the 100% Retail, Hospitality and Leisure (RHL) and aviation relief for at least three months. We hope that this interim measure will provide a degree of certainty in the absence of any clarity from UK Government over both the future of their equivalent RHL relief and other macroeconomic support measures such as the furlough scheme. Should the UK Government bring forward an extension to their equivalent RHL relief that generates consequential funding, Ministers will match the extension period as part of a tailored package of business support measures. In addition, our decision to reduce the Basic Property Rate ('poundage') to 49 pence, the same as in 2019-20, will deliver savings for Scottish businesses compared with previously published plans. Notwithstanding the limitations of the devolved settlement we are fully committed to doing all we can to prioritise support for businesses and this unprecedented step will ensure that properties' gross rates liabilities are no higher than they were prior to the pandemic, all else being equal.

In coming to the decisions announced in the Scottish Budget I have listened carefully to the representations that COSLA made on behalf of local government over the unprecedented pressures and challenges they are facing and this is recognised in the decisions taken on the level of funding to be delivered through the local government finance settlement.

The Scottish Government and COSLA worked together to agree the details of a lost income scheme to compensate councils for the loss of income from sales, fees and charges due to the pandemic in 2020-21. The scheme was worth an estimated £90 million for 2020-21 but was subject to confirmation of the consequentials from the UK Government. While that confirmation is still awaited, I can also confirm that I am increasing the allocation to £200

million, which when added to the previously committed £49 million of consequential that could also be used to support lost income for council Arm's Length Organisations will provide an extra £249 million of allocated funding to support councils losses due to the pandemic. While I appreciate that confirmation of this additional funding is coming late in the financial year it will allow councils to manage the costs of COVID-19 and subsequently support continued financial sustainability. I can reaffirm my commitment that if there are any further consequential that accrue to the Scottish Budget for this purpose in 2021-22, I will pass these on in full to Scottish local authorities.

A handwritten signature in black ink, appearing to read 'Kate Forbes', written in a cursive style.

**KATE FORBES**

Financial Year	2021/22	2022/23	2023/24
	£000s	£000s	£000s
<b>Actual / Forecast Budget</b>	<b>70,640</b>	<b>72,497</b>	<b>74,575</b>
<b>Social Care Pressures - HSCP</b>			
<b>Pay Pressures</b>			
Pay Award based on Scottish Government Pay Policy	1,021	1,092	1,093
<b>Service Budget Pressures/Reductions in Cost</b>			
Children and Families	608	(52)	118
Criminal Justice	(59)	(139)	0
Mental Health, Learning Disability and Addictions	(405)	23	0
Community Health and Care	338	875	444
<b>National Budget Pressures</b>			
Scottish Living Wage uplift (excludes NCHC)	630	630	630
Carers Act	492	0	0
<b>Resources</b>			
Increase in Resource Transfer	(528)	(214)	(220)
SFC Increase	(42)	(15)	(21)
<b>Other</b>			
Other minor budget adjustments	(79)	(1)	(5)
Admin Savings	(120)	(120)	0
<b>Total Pressures</b>	<b>1,856</b>	<b>2,078</b>	<b>2,040</b>
<b>Budget required</b>	<b>72,497</b>	<b>74,575</b>	<b>76,615</b>
Anticipated WDC Funding	71,749	71,039	72,054
<b>Anticipated Funding Projection</b>	<b>71,749</b>	<b>71,039</b>	<b>72,054</b>
<b>Anticipated Savings Gap</b>	<b>748</b>	<b>3,536</b>	<b>4,561</b>
<b>% of Controllable Budget</b>	<b>1.1%</b>	<b>4.9%</b>	<b>6.1%</b>
Potential Saving to Childrens and Families per WDC Budget Report (Baselined)	(260)	(260)	(260)
<b>Revised Funding Projection</b>	<b>71,489</b>	<b>70,779</b>	<b>71,794</b>
<b>Revised Savings Gap</b>	<b>1,008</b>	<b>3,796</b>	<b>4,821</b>
<b>% of Controllable Budget</b>	<b>1.4%</b>	<b>5.2%</b>	<b>6.5%</b>

Directorate for Health Finance Corporate  
Governance and Value  
Richard McCallum, Interim Director



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Chief Executives, NHS Scotland

Copy to: NHS Chairs  
NHS Directors of Finance  
Integration Authority Chief Officers  
Integration Authority Chief Finance Officers

***Issued via email***

28 January 2021

Dear Chief Executives

**Budget 2021-22 – Indicative Allocation**

Following the announcement of the Scottish Government's Budget for 2021-22 by the Cabinet Secretary for Finance in Parliament today, I am writing to provide details of the funding settlement for Health Boards. A breakdown of the total is provided in **Annex A** to this letter.

The immediate priority of the budget is to support our response to the pandemic and take forward delivery of the key ambitions set out in the Programme for Government.

The position set out in this letter is subject to any amendments agreed through the Scottish Parliament's Budget Bill process, and may also require to be updated to reflect the UK Government's Budget on 3 March. I will keep you up to date with any changes to your planning assumptions.

**Baseline Funding**

All Boards will receive a baseline uplift of 1.5%. In addition, those Boards furthest from NRAC parity will receive a share of £30.2 million, which will continue to maintain all Boards within 0.8% of NRAC parity.

In terms of pay, initial funding has been allocated in line with the Scottish Public Sector Pay Policy for planning purposes. This will be used as an anchor point in the forthcoming Agenda for Change pay settlement and funding arrangements for Boards will be revisited by the Scottish Government in line with the outcome of the pay negotiations.

The funding position continues to assume that the £15 million of National Board savings are fully delivered in 2021-22 and that further progress is made in National Boards collaborating to deliver service improvement and further savings. Whilst we have taken account of the

particular challenges in delivering this in full in 2020-21, I expect National Boards to identify sufficient recurring measures to address this position going forward.

## Covid-19 Funding

Additional funding of £869 million will be provided to support the ongoing response to the pandemic, and we will develop our approach to allocating this funding on receipt of remobilisation plans due at the end of February. While we anticipate that further Covid funding will be provided by the UK Government, this tranche of funding should provide sufficient assurance for continuing with key programmes of work, such as vaccinations and Test and Protect.

## Investment in Improving Patient Outcomes

In addition to the baseline funding uplift, a total of £595.9 million will be invested in improving patient outcomes in 2021-22, as set out below:

Improving patient outcomes	2020-21 Investment in reform (£m)	2021-22 Investment in reform (£m)	Increase for 2021-22 (£m)
Primary Care	205	250	45
Waiting Times	136	136	-
Mental Health and CAMHS	89	111.1	22.1
Trauma Networks	31	37.8	6.8
Drugs Deaths	11	61	50
<b>TOTAL</b>	<b>472</b>	<b>595.9</b>	<b>123.9</b>

When combining the £123.9 million increase in investment in reform with an increase of £193 million in baseline funding for frontline NHS Boards, the total initial additional funding for frontline NHS Boards will amount to £316.9 million (2.8 per cent) in 2021-22. Further detail is set out in **Annex A**.

Full details of the method of allocation and evidence of delivering against agreed outcomes will be set out by individual policy areas.

## Core Areas of Investment

### Primary Care

Investment in the Primary Care Fund will increase to £250 million in 2021-22. This will support the delivery of the new GP contract and wider Primary Care reform and continued development of new models of primary care.

We will maintain Covid-19 funding support for Community Hubs while they are still required. This is alongside our continued support for multi-disciplinary teams, which are supporting GPs to fulfil their role as expert medical generalists in the community.

### Support for Waiting Times

Investment of £136 million will again be provided for investment in addressing waiting times. Whilst progress had been made in reducing waiting times in recent years, the response to the pandemic has interrupted this progress. In addition to this funding, we will consider the provision of further funding beyond this level in order to support the remobilisation of elective care as part of NHS Board remobilisation plans and reduce the backlog.



Included within the funding is £136 million, is £10 million for winter 2021-22, to allow Boards maximum opportunity to plan as appropriate.

### Mental Health and CAMHS

Funding of £111.1 million will be directed to a range of partners for investment to support mental health, and children and young people's mental health. This funding will underpin our continued approach to improving mental health services and support for children, young people and adults.

As part of the 2021-22 budget we are providing £15 million to support the continued establishment of new Community Mental Health and Wellbeing Services. While the pandemic has had an impact on the planning and development of those services, we are working with local authorities to ensure they are ready to start supporting children, young people and their families as soon as possible, with support available across all 32 local authorities in 2021.

The Mental Health Transition and Recovery Plan outlines the Scottish Government's response to the mental health impacts of COVID-19 and further funding will be provided from the £869 million COVID-19 funding to support Boards and Integration Authorities in meeting these challenges.

### Trauma Networks

This funding will increase from £31 million to £37.8 million, taking forward the implementation of the major trauma networks.

### Alcohol and drugs

The 2021-22 Portfolio budget provides an additional £50 million targeted towards reducing drugs deaths. This forms part of a total of funding of £250 million over the next five years and will support further investment in a range of community-based interventions, including primary prevention and expansion of residential rehabilitation.

### Reform Funding

This budget prioritises baseline funding, along with increased investment in particular areas of reform that will improve patient outcomes and funding for the response to the Covid pandemic. We will however continue to work with colleagues to agree investment in specific programmes of work, as well as in-year funding to support the strategies of NHS 24 and Scottish Ambulance Service, which will have a wider benefit to the sector.

### Health and Social Care Integration

In 2021-22, NHS payments to Integration Authorities for delegated health functions must deliver an uplift of at least 1.5% over 2020-21 agreed recurring budgets.

In addition to this, and separate from the Board Funding uplift, the Health Portfolio will invest a further £72.6 million in Local Authorities for investment in adult social care and integration. This takes the total funding transferred from the health portfolio to £883 million in 2021-22. The additional £72.6 million will support delivery of the Living Wage (£34 million), continued implementation of the Carers Act (£28.5 million) and uprating of free personal care (£10.1 million).

The funding allocated to Integration Authorities should be additional and not substitutional to each Council's 2020-21 recurring budgets for adult social care services that are delegated.

Therefore, Local Authority adult social care budgets for allocation to Integration Authorities must be £72.6 million greater than 2020-21 recurring budgets.

#### Capital Funding

Boards should assume an unchanged initial capital formula allocation, with additional investment planned for the elective centres and Baird Family Hospital and Anchor Centre in Aberdeen.

#### **2021/22 Financial Plan**

We will continue to engage with Boards to finalise Remobilisation Plans and the development of one year financial plans and I hope the information contained in this letter is helpful in the finalising of these plans. We plan to revisit three year financial plans when the NHS is no longer on an emergency footing.

Yours sincerely

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

**Richard McCallum**

Interim Director of Health Finance and Governance

## Annex A – Board Funding Uplifts

<b>NHS Territorial Boards</b>	2020-21 Allocation	Recurring Allocations	Total 2020-21 Allocation	Uplift incl NRAC	Uplift incl NRAC	2021-22 Total Allocation	NRAC Funding	Distance from NRAC parity
	£m	£m	£m	£m	%	£m	£m	%
Ayrshire and Arran	762.4	(0.6)	761.8	12.7	1.7%	774.5	1.2	-0.8%
Borders	219.8	(0.4)	219.4	3.3	1.5%	222.7	-	-0.8%
Dumfries and Galloway	316.1	(0.3)	315.8	4.7	1.5%	320.6	-	1.5%
Fife	701.5	(1.3)	700.2	12.4	1.8%	712.6	1.9	-0.8%
Forth Valley	558.7	(1.0)	557.7	11.8	2.1%	569.4	3.4	-0.8%
Grampian	1,013.5	(0.8)	1,012.7	15.2	1.5%	1,027.9	-	0.1%
Greater Glasgow and Clyde	2,364.7	(2.0)	2,362.7	35.4	1.5%	2,398.1	-	1.8%
Highland	666.0	(0.6)	665.5	26.4	4.0%	691.9	16.4	-0.8%
Lanarkshire	1,268.1	(1.1)	1,267.1	19.0	1.5%	1,286.1	-	-0.8%
Lothian	1,540.1	0.4	1,540.5	29.0	1.9%	1,569.5	5.9	-0.8%
Orkney	52.6	(0.0)	52.6	2.2	4.2%	54.8	1.4	-0.8%
Shetland	53.9	(0.0)	53.8	0.8	1.5%	54.6	-	0.4%
Tayside	808.5	(0.7)	807.8	12.1	1.5%	819.9	-	-0.8%
Western Isles	80.0	(0.1)	79.9	1.2	1.5%	81.1	-	10.6%
	<b>10,405.9</b>	<b>(8.5)</b>	<b>10,397.5</b>	<b>186.2</b>	<b>1.8%</b>	<b>10,583.7</b>	<b>30.2</b>	
<b>NHS National Boards</b>								
National Waiting Times Centre	60.0	-	60.0	0.9	1.5%	60.9		
Scottish Ambulance Service	278.4	1.1	279.5	4.2	1.5%	283.7		
The State Hospital	37.6	-	37.6	0.6	1.5%	38.1		
NHS 24	72.7	-	72.7	1.1	1.5%	73.8		
NHS Education for Scotland*	461.5	0.2	461.7	9.9	2.1%	471.7		
NHS National Services Scotland	327.7	8.7	336.4	5.0	1.5%	341.4		
Healthcare Improvement Scotland	26.3	0.9	27.1	0.4	1.5%	27.5		
Public Health Scotland	47.9	-	47.9	0.7	1.5%	48.6		
<b>Nationals Total</b>	<b>1,312.1</b>	<b>11.0</b>	<b>1,323.1</b>	<b>22.8</b>	<b>1.7%</b>	<b>1,345.9</b>		
<b>Total NHS Boards</b>	<b>11,718.0</b>	<b>2.5</b>	<b>11,720.6</b>	<b>209.1</b>	<b>1.8%</b>	<b>11,929.6</b>		
<b>Improving Patient Outcomes</b>	<b>472.0</b>		<b>472.0</b>	<b>123.9</b>		<b>595.9</b>		
<b>Total Frontline NHS Boards**</b>	<b>11,326.6</b>	<b>(7.3)</b>	<b>11,319.3</b>	<b>316.9</b>	<b>2.8%</b>	<b>11,636.2</b>		

\*The uplift for NHS Education for Scotland includes recurring funding for training grades

\*\* Frontline NHS Boards comprise the 14 NHS Territorial Boards, National Waiting Times Centre, Scottish Ambulance Service, State Hospital and NHS 24

Financial Year	2021/22	2022/23	2023/24
	£000s	£000s	£000s
<b>Actual Recurring Budget/ Forecast Budget</b>	96,641	97,757	98,802
<b>Health Care Pressures - HSCP</b>			
<b>Pay Pressures</b>			
Pay Award based on Scottish Government Pay Policy (incl. Increments)	450	443	453
<b>Budget Pressures</b>			
Prescribing (assume returns to pre-covid levels after 21/22)	294	996	1,036
Purchase of Healthcare (incl. Hospice)	54	55	56
Resource Transfer to Social Care	128	214	220
<b>Covid Budget Pressures</b>			
Mental Health Assessment Unit	86	0	0
Care Home Hub	96	0	0
<b>Resources</b>			
Increase in Service Level Agreement Income	(35)	(35)	(35)
<b>Other</b>			
Other minor budget adjustments	57	57	58
<b>Total Pressures</b>	1,131	1,731	1,788
<b>Draft Budget</b>	97,772	99,487	100,590
<b>Budget required</b>	97,772	99,487	100,590
Anticipated NHSGCC Funding	97,757	98,802	99,662
<b>Anticipated Funding Projection</b>	97,757	98,802	99,662
<b>Anticipated Savings Gap</b>	15	685	928
<b>% of Controllable Budget</b>	0.0%	0.7%	0.9%