



West Dunbartonshire Health & Social Care Partnership

Medium Term Financial Outlook 2024/25 – 2027/28

Foreword

Welcome to the refreshed West Dunbartonshire Health and Social Care Partnership's (WDHSCP) Medium Term Financial Outlook covering the period 2024/25 – 2027/28.

The medium term financial outlook sets out the forecast income and expenditure for the Integrated Joint Board (IJB), commonly known as the HSCP Board over the coming three years. Whilst the funding levels contained in the 2024/25 budget have only been set for one year, we have based future projections on previous year trends, the financial outlook positions of our key partners and general economic forecasts.

The HSCP Board are committed to working with the people of West Dunbartonshire to improve their health and wellbeing, a commitment even more fundamental as our previous demographic trajectories have been negatively altered as we try to understand the longer term impacts the COVID-19 pandemic will have on our communities.

Specific challenges are evident amongst our children and older adult populations, who tend to be the biggest users of universal health and care services. The increased cost of living against reduced funding settlements impacts on how we plan our services and deliver them effectively to meet both local and national outcomes.

The WDHSCP has now been operating for more than nine years and has worked with its strategic planning partners across a range of activities to strengthen relationships to realise the aims of integration.

Our strategic outcomes and priorities are set-out within our current Strategic Planning 2023 – 2026: Improving Lives Together. Our priorities have been shaped by a robust Strategic Needs Assessment and our outcomes will be measured against our detailed delivery plan.

This refreshed medium term financial outlook goes hand-in-hand with our strategic plan, as predicted additional demand against a finite resource provides us with the opportunity to do things differently, in partnership with our staff, our communities and partners.

Michelle Wailes
Chair of the HSCP Board

Beth Culshaw
Chief Officer

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Executive Summary

West Dunbartonshire HSCP Board continues to be ambitious for our communities and to build on the opportunities that integration of services affords us. Despite the financial and workforce challenges and knowing that the full impact of the pandemic is yet to reveal itself on our communities, there has been innovation, new ways of working and joining up services to improve the care and support provided.

West Dunbartonshire contains the third equal highest share of the most deprived data zones of Scotland's 32 local authority areas. We have a decreasing and ageing population with life expectancy rates lower than the Scottish average. Our citizens living within the most deprived communities spend, on average, 24 fewer years in good health than those living in the least deprived areas.

Our approach as the HSCP Board, responsible for planning and overseeing the delivery of a full range of community health and social care services, is to ensure services are planned and led locally in a way that involves the community and take account of the particular needs of the people who use our services.

The previous medium term financial plan (outlook) 2022/23 to 2026/27 was used by the HSCP Board to support the strategic planning process and underpins the current strategic plan. However, we have recognised that, in seeking to balance increasing service demands and their costs against ambitious service redesign programmes, the financial outlook required an earlier refresh given the scale of the 2024/25 financial pressure. Continual short-term funding settlements from the Scottish Government to our partners and in turn the HSCP Board, does not support our medium term aims. This refreshed outlook covers the planning period 2024/25 – 2027/28 and is based on best estimates and incorporates sensitivity analysis to inform decision making, to support the HSCP Board's ongoing financial sustainability.

The current revenue resource for delegated services in 2024/25 is £205.063m (consisting of budget of £204.360m and planned use of earmarked reserves of £0.703m) and incorporates a challenging range of savings to be achieved through strong financial management and accountability across all aspects of service delivery, and ambitious service redesign programmes.

The financial outlook sets out the forecasted income and expenditure for the HSCP Board based on the current 2024/25 budget from our partners; West Dunbartonshire Council and NHS Greater Glasgow and Clyde Health Board. Financial projections for the following three years to 2027/28 are based on assumptions around pay inflation, service demand, demographic changes and prescribing pressures. Further work will be undertaken in the coming financial year to extend this outlook to provide high level, indicative financial data for the period 2028/29 to 2034/35.

The HSCP Board are committed to protecting core services whilst addressing the financial challenges over the short, medium and longer term. The Strategic Plan 2023 – 2026: Improving Lives Together is ambitious in addressing the needs of its population, but it also recognises that it is resource bound as financial settlements fall short in failing to account for inflationary and demographic pressures. Over the medium term this plan estimates a mid-range funding shortfall of £34.512m which will have to be addressed.

The HSCP Board is clear that we need to be as financially well placed as possible to plan for and deliver services in a difficult financial climate, whilst maintaining enough flexibility to adapt and invest where needed to redesign and remodel service delivery moving forward depending on the funding available in future years.

As part of West Dunbartonshire's wider Community Planning Partnership the HSCP Board will support the vision for resilient communities with active, empowered and informed citizens who feel safe and engaged to be a main contributor to service change across health and social care.

The Medium Term Financial Outlook aims to pull together in one place all the known factors affecting the financial position and sustainability of the organisation over the medium term.

Included within the plan is a range of key assumptions which are subject to a significant degree of uncertainty. In order to test the assumptions used in the modelling of three scenarios (Best, Mid-Range, and Worst) sensitivity analysis was undertaken to calculate the financial impact of any material change on current assumptions. This strategy will be continually kept under review with appropriate adjustments being made as current assumptions become clearer.

While the initial position for 2024/25 was of a balanced budget, subject to delivering on a range of management actions and savings programmes, the projected outturn indicates a budget shortfall of £7.104m (before use of planned reserves). The reported position as reported to the November 2024 HSCP Board is a projected overspend of £4.286m taking cognisance of planned drawdown of £2.818m from earmarked reserves. In addition to this the medium term financial outlook estimates annual cost pressures of between £6.563m to £11.238m with an indicative cumulative budget gap from "best" to "worst" of between £27.658m to £44.734m for the period 2025/26 to 2027/28 which the HSCP Board will need to address.

Purpose of the Medium Term Financial Outlook

The financial outlook provides a medium term view of the challenges, opportunities and risks which face the HSCP Board and considers what impact they could have on the financial sustainability of the partnership. This is an essential element of the strategic planning process and supports the successful delivery of the HSCP Board's four strategic outcomes, which are:

1. *Caring Communities*
2. *Safe and Thriving Communities*
3. *Equal Communities*
4. *Healthy Communities*

Its aim is to pull together in one place all known factors affecting the financial outlook and sustainability of the HSCP in the medium term. This will assist the HSCP Board's delivery of planned outcomes for our communities by linking directly to the financial and service delivery plans and their response to the very real financial challenges which threaten the achievement of these outcomes.

The Board continues to face significant financial uncertainty over the medium term as Scottish Government funding settlements remain as single-year awards. This uncertainty brings with it, risk to maintaining our workforce and the quality of our services. Difficult choices are required and this outlook aims to provide a practical framework within which any service change, can be delivered in a planned way.

To provide clear and consistent direction for the HSCP Board, the following objectives have been identified for this financial outlook. It will strive to ensure that:

- The Board has reliable information to support the effective assessment of the financial impacts of decisions to remain financial sustainable;
- Resources are targeted on the delivery of the outcomes set out in the strategic plan, taking account of statutory requirements as well as local need;
- All key strategic decisions on the allocation and deployment of resources are made within the appropriate financial context, with due regard to levels of risk;
- It provides a basis for engaging with partner bodies in relation to the annual budget setting process;
- The Board has flexibility to address new policy requirements, or significant changes to policies, within overall available financial resources;
- Resources are invested effectively, efficiently and on a sustainable basis, in shifting the balance of care to accessible community settings;
- There is an ongoing focus on securing efficiencies across the HSCP; and
- There is an increased level of understanding on behalf of the wider community with regard to the finances of the HSCP.

The primary financial challenges facing the HSCP Board over the period of this outlook will be delivering a coherent, balanced budget year on year. This will require the HSCP to continuously review existing and revised service delivery arrangements to determine if they are effective, efficient and sustainable, consider alternative methods of service delivery where appropriate and proactively identify opportunities to secure efficiencies or reduce service provision.

The financial outlook undertakes some sensitivity analysis to provide a picture of best case, worst case and likely case in terms of financial projections. This allows the HSCP Board to see the risk associated with the range of variables within the financial issues/pressures identified. This will assist in the development and refinements of our workforce plan, property strategy, commissioning plans and charging policy.

The Outlook will also provide information to a range of stakeholders as detailed in Table 1 below.

Table 1 – Stakeholder Information

Stakeholder	Purpose of Financial Outlook
For the HSCP Board and Board Members	To decide how available financial resources will be used and prioritised
For Chief Officer, Senior Management Team, managers and employees	To reinforce and support their roles in financial management arrangements
For service users	To show how the HSCP Board's Financial Plan impacts upon service provision
For partners and stakeholders	To share the HSCP Board's vision and help identify opportunities for joint working

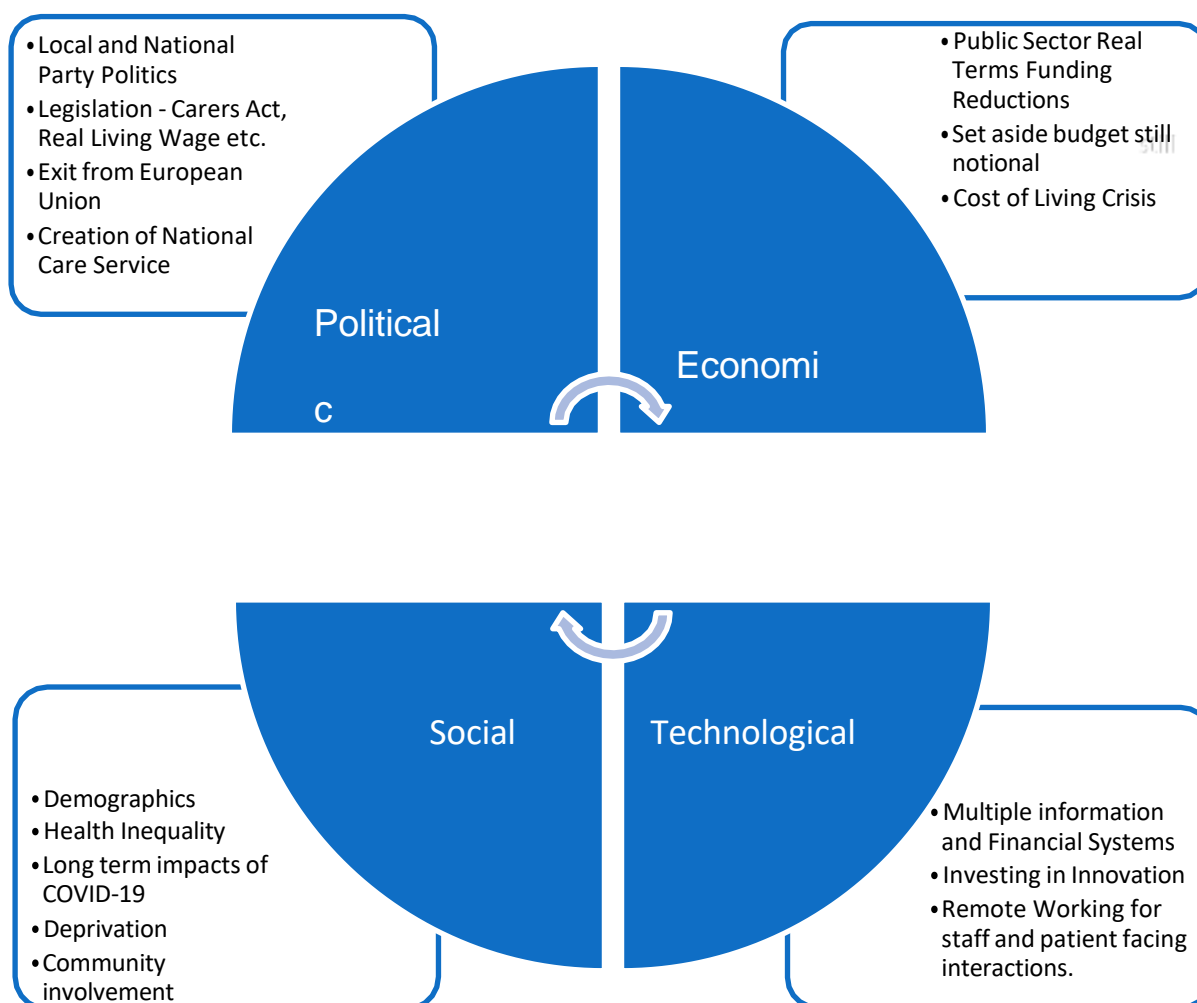
Inevitably some of the information of the Financial Outlook will be based on assumptions and these will change over time (especially in the longer term) – this outlook will be reviewed and updated regularly so that the HSCP Board can respond proactively to any such changes.

The associated strategic planning process will ensure there is a clear linkage between the strategic planning and budgeting processes.

Refresh of the Medium Term Financial Outlook

The WDHSCP Board is responsible for the strategic planning and reporting of a range of health and social care services delegated to it by NHS Greater Glasgow & Clyde Health Board and West Dunbartonshire Council (which are described in full within its approved Integration Scheme).

The HSCP Board is operating in a climate of uncertainty and continuing change across the political, social, economic and technological landscape. Short term (one year) financial settlements coupled with new and changing demand pressures has meant that much of the financial focus has been on the present. However, the delivery of transformational change must be supported by a longer term financial strategy and the Medium Term Financial Outlook is the critical link between the HSCP Board's financial strategy and its plans for service delivery.



Robust financial planning is especially important in this current climate of public sector funding uncertainty, inflation and recovery from the pandemic. The Medium Term Financial Outlook's purpose is to allocate finite financial resources over time, considering the impact of a range of factors, allowing the HSCP Board to achieve its goals and also to support the annual budget process.

BALANCING STRATEGIC PRIORITIES AGAINST FINANCIAL CONSTRAINTS



COST DRIVERS



Approach

In preparing the financial outlook the following approach has been adopted:

- The 2024/25 base budget has been used as the basis for the medium term financial outlook;
- A detailed analysis of costs and demand pressures has been undertaken to inform projections for the next three years;
- The financial impact of actual and anticipated changes to both UK and Scottish Government policies have been considered;
- Current and future levels of reserves are considered, in particular the approved use of reserves to cover a proportion of any estimated funding gap;
- Some sensitivity analysis is used to highlight the risks associated if assumptions change around the key cost drivers; and
- Taking cognisance of our partner's individual financial assumptions to support the refresh of the outlook.

Benefits

The financial outlook aims to deliver a number of benefits to the Board including:

- Resources are aligned to deliver on the strategic outcomes;
- Members are able to make informed decisions based on the totality of the financial resource and the level of risk in the short to medium term;
- Providing a basis for engaging with partner bodies in relation to annual budget setting negotiations;
- Supporting members decision making in relation to service commissioning and procurement with external providers and the third sector; and
- Identifying the service improvements required to provide effective and efficient services to secure financial sustainability.

The value of such an outlook is that it should enable the HSCP Board to understand the wider policy and financial environment, within which it operates, identify and respond flexibly to opportunities and threats, manage and mitigate risks and ensure that financial resources are contributing to achieving corporate objectives.

National Context

Integration authorities operate in a complex and constantly changing environment. The medium term financial outlook needs to be cognisant and responsive to any external factors that impact on the delivery of the HSCP Board's strategic outcomes.

While the political balance within both Scottish and UK Government will change, the vision to support people to be "*able to live longer healthier lives at home, or in a homely setting*"¹ remains the ambition for Scottish Government and drives policy.

Having an integrated health and social care system is a key outcome to this vision and the "Public Bodies (Joint Working) (Scotland) Act 2014" is the legislation that underpins the role and function of Integrated Joint Boards. The Scottish Government have **nine national health and wellbeing outcomes**² which apply to integrated health and social care:

People are able to look after and improve their own health and wellbeing and live in good health for longer.

People, including those with disabilities or long term conditions, or who are frail, are able to live, as far as reasonably practicable, independently and at home or in a homely setting in their community.

People who use health and social care services have positive experiences of those services, and have their dignity respected.

Health and social care services are centred on helping to maintain or improve the quality of life of people who use those services.

Health and social care services contribute to reducing health inequalities.

People who provide unpaid care are supported to look after their own health and wellbeing, including to reduce any negative impact of their caring role on their own health and well-being.

People who use health and social care services are safe from harm.

People who work in health and social care services feel engaged with the work they do and are supported to continuously improve the information, support, care and treatment they provide.

Resources are used effectively and efficiently in the provision of health and social care services.

¹ [Everyone matters: 2020 health workforce vision - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/documents/2020/06/Everyone_matters_2020_health_workforce_vision.pdf)

² [5. National Health and Wellbeing Outcomes - National health and wellbeing outcomes framework - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/documents/2020/06/National_health_and_wellbeing_outcomes_framework.pdf)

The Economy

The Global, UK and Scottish economies all have an impact on the day to day lives of the citizens of West Dunbartonshire, including earnings, taxation, employment and the funding available to support public sector services. These economies influence what we pay for goods and services, including those key in the delivery of health and social care.

The Global Economic Outlook

Prior to the March 2020 COVID-19 pandemic, the main threat to the economic outlook was around the uncertainties of Britain's exit from the European Union. While changes to import and export regulations have impacted on the supply chain, recovering from the pandemic and the war in Ukraine have also impacted, in particular the cost of energy.

Forecasts for global economic growth remain cautious in a climate of shifting political power and conflict. The International Monetary Fund's (IMF) "Regional Economic Outlook – Europe"³ published in October 2024, concluded that while Europe's economy is recovering, uncertainty about core inflation, policy directions, and geopolitical conflicts, is dampening the short to medium term outlook.

The Organisation for Economic Co-operation and Development (OECD) latest forecast⁴ is that the growth will differ across key economies, with growth in China and the United States (US) expected to slow slightly in 2025 from 4.9% to 4.5% and 2.6% to 1.6% respectively. In contrast European growth is forecast to strengthen from 0.7% to 1.3% and UK growth is forecast to strengthen from 1.1% to 1.2%.

For the HSCP Board, the greatest risk of an uncertain global outlook is on our primary care prescribing budget (c£22m). The procurement of drugs is subject to national UK contracts, with manufacture across the world, including China and the US and purchases taking place across global markets, with a range of factors impacting on price. Similar to other areas, there has been unprecedented increases in price in this area. Increases in price are exacerbated by demand/volumes returning to, if not exceeding pre-pandemic levels. The March 2024 budget setting report⁵ estimated, based on local demand and national price increases, the 2024/25 prescribing budget would have to increase by 10.5%, at a cost of £2.223m to keep pace.

³ [Regional Economic Outlook for Europe, October 2024: A Recovery Short of Europe's Full Potential \(imf.org\)](https://www.imf.org/en/Publications/REO/Europe/Issues/2024/10/Regional-Economic-Outlook-Europe)

⁴ [OECD Economic Outlook, Interim Report September 2024 | OECD](https://www.oecd.org/economic-outlook/)

⁵ [document-pack-bookmarked-and-agenda-hscp-board-28-march-2024.pdf \(wdhscp.org.uk\)](#)

The UK Economic Outlook

The new Labour Government published their 2024 Autumn Budget Statement on 30 October 2024, and described it as a budget to “rebuild Britain”. The Office for Budget Responsibility (OBR) published its economic and fiscal outlook on the same day⁶ and acknowledged that “This Budget delivers a large, sustained increase in spending, taxation, and borrowing. Budget policies increase spending by almost £70 billion (a little over 2 per cent of GDP) a year over the next five years, of which two-thirds goes on current and one-third on capital spending. As a result, the size of the state is forecast to settle at 44 per cent of GDP by the end of the decade, almost 5 percentage points higher than before the pandemic.”

The expectation is that the economy, which stagnated last year, will grow by just over 1% this year, rising to 2% in 2025. Growth will bring inflation risk, which in turn impacts on Bank of England interest rates. As of September 2024 the current rate of inflation was reported at 1.7% compared to the target level of 2% with the Bank of England reducing interest rates by 0.25% to 4.75% on 7 November 2024.

While the current rate of inflation has improved from the 6.7% at the same point last year, as well as the 2.2% level in August, both the OBR and the Bank of England expect it will rise to 2.6% in 2025, before gradually falling back to target.

One of the greatest risks to the HSCP Board arising from the Autumn Budget, is the uncertainty around the announcement of increases in employers’ rates for National Insurance Contributions (NIC) from April 2025. These changes impact upon both the threshold level on which employers become liable to pay NIC (reducing threshold from £9,100 to £5,000 on annual salary) and the contribution rate (13.8% to 15%). While it is expected, but not confirmed, that the public sector e.g. local authorities and health boards may receive relief from these increases, this is unlikely to apply to commissioned services or independent contractors. This carries significant risk given our levels of expenditure on commissioning social care residential and non-residential and family health services (c£100m).

In addition to changes to employer’s NIC rates, inflation brings risk in public sector pay for our own workforce, and also within the commissioned services workforce. Couple this risk with the Inflationary pressure in energy and other supplies required in the delivery of health and social care have also exceeded funding, which has been held at 0% for core delegated services, with some additional funding for high priority policy commitments.

⁶ [Economic and fiscal outlook – October 2024 - Office for Budget Responsibility \(obr.uk\)](https://obr.uk/economic-fiscal-outlook-october-2024/)

The Scottish Economic Outlook

Prior to the 2024 Autumn Budget Statement, the Scottish Government's Chief Economist published its, "Scottish Economic Insights: October 2024"⁷ on 18 October 2024. The report acknowledged how the economy has been impacted by a succession of shocks in recent years from the pandemic and cost of living crisis.

Similar to the UK, the Scottish economy has experienced some growth, however it continues to lag behind the UK as explained in the Fraser of Allander Institute's (FAI) Quarter 3 Economic Commentary⁸, published in October 2024. The FAI forecasts growth of 0.9% in 2024, rising to 1.1% in 2025 and 1.2% in 2026.

As set-out above, changes to employers' NIC rates could have mixed consequences for public services, however it will raise significant revenue for the Treasury. The UK Government committed to "fixing the NHS and reforming public services", with increasing day to day spending for public services by 3.3%, over this year. However, this is coupled with a 2% productivity efficiency and savings target in 2025/26⁹.

While it is a matter for the Scottish Government to set its own efficiency targets for devolved public services (e.g. Health Boards currently have a 3% annual efficiency target as set out within the 2024/25 funding letter), it will benefit from additional UK Government funding through additional Barnett consequentials. The Secretary of State for Scotland, Ian Murray MP, announced on 30 October 2024, that the Scottish Government would benefit by an extra £1.5 billion in this current financial year and an additional £3.4 billion in 2025/26¹⁰.

The FAI initial response to the impact of the autumn budget on Scotland's finances is tentatively positive, on their assumption that the public sector will be compensated for higher NICs¹¹. (See extract below):

"For Scotland, there has been a really significant uplift in spending – largely through the Barnett formula due to higher spending in devolved areas. Funding for day-to-day spending is £1.5bn higher this year, which is likely to make the Scottish Government's job of balancing its budget significantly easier. Barnett consequentials are £3.4 billion next year as well, of which £2.8bn is day-to-day spending. The Treasury will also be providing compensation for higher staff costs through the NICs measure for public sector employers – our understanding is that this will be in addition to the £3.4billion announced today."

⁷ [Forward Look and Conclusion - Scottish economic insights: October 2024 - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/scottish-economic-insights/2024-10-18/pages/forward-look-and-conclusion)

⁸ [FAI Economic Commentary Q3 2024 | FAI \(fraserofallander.org\)](https://www.fraserofallander.org/publications/q3-2024-economic-commentary)

⁹ [Chancellor chooses a Budget to rebuild Britain - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/chancellor-chooses-a-budget-to-rebuild-britain)

¹⁰ [A Budget to fix the foundations and deliver change for Scotland - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/a-budget-to-fix-the-foundations-and-deliver-change-for-scotland)

¹¹ [2024 UK Autumn Budget: FAI reaction | FAI \(fraserofallander.org\)](https://www.fraserofallander.org/publications/2024-uk-autumn-budget-fai-reaction)

Once confirmation on the actual funding impacts are known, the Scottish Government will be required to update their own Medium Term Financial Strategy (MTFS). The current MTFS was published in May 2023 and provides a Medium Term view of public finances in Scotland over the period 2023-24 to 2027-28¹². At the time of publication, the outlook reflected that economic conditions would remain challenging as inflationary pressures continue on households coupled with relatively subdued growth forecast over 2023, with living standards not anticipated to recover to pre-pandemic levels until 2026/27.

Extract from MTFS: Strategy for managing the public finances



It was anticipated that following this 2023 publication, the Scottish Government would use its assumptions and actions to update its financial framework for health and social care in early 2024, however this has not yet happened. The current version of the Medium Term Health & Social Care Financial Framework¹³ (MTFF) was published in October 2018. The key messages of the MTFF were very clear in that if the current system did not adapt and change the net increase in costs to health and social care services across the medium term would not sustainable:

- The drivers for growth are recognised as price, including pay and inflation, activity demand and growth and demographic impacts. The combined impact on each partner is estimated at an annual growth rate of:
 - Health services – 3.5%
 - Social Care – 4% which is slightly higher recognising the impact that the very elderly have on demographic pressures.

¹² [The Scottish Government's Medium Term Financial Strategy - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/medium-term-financial-strategy-2023-24/pages/12.aspx)

¹³ [Health and Social Care: medium term financial framework - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/medium-term-financial-framework-2018/pages/13.aspx)

Audit Scotland Reports and Health, Social Care and Sport Committee

Audit Scotland¹⁴ publishes reports annually on the performance of the NHS and Local Government in Scotland. While these reports highlight some of the system pressures on providing delegated health and social care services, these pressures are set out in more detail through Audit Scotland's suite of reports on the progress of Integration.

Their latest report, published in July 2024 titled "Integration Joint Boards: Finance and Performance 2024"¹⁵ clearly articulated the unprecedented pressures and financial uncertainty for Integration Authorities in the delivery of community health and social care services. It also recognises how plans for a National Care Service have contributed to financial uncertainty.

With regards to the financial outlook the key messages were:

1. IJBs face a complex landscape of unprecedented pressures, challenges and uncertainties. These are not easy to resolve and are worsening, despite a driven and committed workforce.
2. No significant evidence of the shift in the balance of care from hospitals to the community intended by the creation of IJBs. They operate within complex governance systems that can make planning and decision making difficult.
3. The financial outlook for IJBs continues to weaken with indications of more challenging times ahead.
 - a. In common with other public sector bodies, financial pressures arising from rising inflation, pay uplifts and COVID-19 legacy costs are making it difficult to sustain services at their current level and, collaborative, preventative and person-centred working is shrinking.
 - b. The financial outlook makes it more important than ever that the budget process involves clear and open conversations with IJB partners, workforce, people who use services and other stakeholders around the difficult choices required to achieve financial sustainability.
 - c. Overall funding to IJBs in 2022/23 decreased by 9% in real terms or by 1% in real terms once COVID-19 funding is excluded. The total reserves held by IJBs almost halved in 2022/23, largely due to the use and return of COVID-related reserves. The majority of IJBs reported

¹⁴ [Publications | Audit Scotland](#)

¹⁵ [Integration Joint Boards' Finance and performance 2024 | Audit Scotland](#)

notable savings, but these were largely arising on a non-recurring basis from unfilled vacancies.

- d. IJBs have had to achieve savings as part of their partner funding allocations for several years. The projected funding gap for 2023/24 has almost tripled, in comparison to the previous year, with over a third anticipated to be bridged by non-recurring savings, with a quarter of the gap bridged using reserves. This is not a sustainable approach to balancing budgets.
4. Data quality and availability is insufficient to fully assess the performance of IJBs and inform how to improve outcomes for people who use services.
5. Commissioning and procurement practices are driven largely by budgets, competition, and cost rather than outcomes for people. They are not always delivering improved outcomes and are a risk for the sustainability of services.

The report sets out some recommendations and tools for self-evaluation by IJBs and their partners. It is very clear that IJBs alone cannot address the crisis in the sector and challenges must be addressed by all partners working collaboratively.

The recently published Health, Social Care and Sport Committee: “Pre-Budget Scrutiny 2025-26”¹⁶ used the Audit Scotland report to supplement evidence gathered from both written responses to their initial consultation and two panels of witnesses. The intention is that committee’s pre-budget report should influence the formulation of the upcoming Scottish Budget’s spending proposals while they are still in development. The recommendations to the Scottish Government include:

1. The introduction of multi-year settlements, even on an indicative basis to support long-term planning.
2. Improve the transparency of preventative spending.
3. Exploring the feasibility of integrating NHS and local government budget allocations into a single budget to be managed by the local IJB.
4. Clearly articulate and minimise the number of in-year funding adjustments to IJBs for pay and policy commitments.
5. Improve transparency of budget decision making analysis and implications on delivering national outcomes for health and social care.

The HSCP Board recognise that all the challenges articulated within the report are evident in their own approach to balancing the delivery of strategic priorities against financial settlements that don’t account for demographic and inflationary pressures. This is covered in more detail later in this refreshed financial outlook.

¹⁶ [HSCSS062024R14.pdf \(parliament.scot\)](#)

UK and Scotland Legislative and Policy Changes

The main drivers that influence the uncertain and complex financial and legislative landscape in which IJBs operate are ever changing policy commitments. These policy commitments are rarely contained to a discreet service area within the health and social care portfolio, instead their impacts are felt across our population and workforce. Where known, the financial impacts of these legislative and policy changes are incorporated into this Financial Outlook, many of these impacts are based on high level assumptions and will require to be revisited as they develop.

1. National Care Service

The Independent Review of Adult Social Care, published in February 2021, recommended the establishment of a National Care Service with a commitment for this to be functioning by the end of the parliamentary term in 2026. A recently revised timescale indicated that local reform will now start in 2028/29.

The National Care Services (Scotland) Bill was introduced to the Scottish Parliament on 20 June 2022. There are three stages to a Bill going through the Scottish Parliament. The National Care Service (Scotland) Bill is currently at Stage 2, with MSPs and Scottish Government Ministers proposing changes (“amendments”) to the Bill. These amendments were subject to public consultation, with responses now gathered and published in September 2024.

The expectation is that current IJBs will be reformed and will then be accountable to the National Care Service Board. Scottish Government have prepared a Financial Memorandum which identifies the financial implications of the Bill, although these have been subject to much debate over their accuracy.

In this current period, it is important that the HSCP Board continue to plan over the medium term, so we can continue to shape and deliver services which meets the needs of our population based on our demographic profile.

2. Mental Health

The Scottish Government committed to improving Mental Health and Wellbeing, with investment in Mental Health Recovery and Renewal aimed at improving how people can manage their mental health with appropriate early support and be referred to additional support when required. This was in recognition of the unprecedented challenges which have been faced, including the COVID-19 pandemic and the impact it has had on mental health and wellbeing. Confirmation of recurring funding will support medium to long term service change.

The HSCP Board approved a refresh to Mental Health Strategy (2023-2028). The level of demand/need increased over the pandemic and although there is no evidence to date on the medium to longer term impact on mental health services, the current and projected socio-economic factors will continue to have a negative effect on individual's mental health suggesting a continued increase in demand for services. The scope of the strategy was expanded to include the wider complex of mental health services, addressing interdependencies and to better realise the benefits in adopting a whole-system approach across all client groups.

A financial framework is being developed in parallel to support a redirection of resource from the remodelling of inpatient beds to support development of community services in support of maximising independence / increasing community capacity.

3. *National Drugs Mission 2022-2026*

The Scottish Government have invested in Alcohol and Drug Partnerships for many years, however the impact this funding has had on drug deaths has been widely criticised. West Dunbartonshire was an area that featured prominently in the annual statistics.

In 2022 the National Mission was launched, aimed at building the foundations for change. Learning from the Drug Deaths Task Force was considered in the roll out Medication Assisted Treatment Standards, known as MAT Standards and a new treatment target was set. There was a new approach to residential rehabilitation; increased funding to community and grass-roots organisations; and set the groundwork for innovation such as through Safe Drug Consumption Facilities.

Investment decisions by the HSCP Board, allowed by the new funding, have been successful in demonstrating progress on the delivery of MAT Standards. Future funding is yet to be confirmed, and progress may be deterred if increasing costs of buprenorphine (an opioid substitute) are not included going forward.

4. *National Transfer and Asylum-Seeking Young People*

The National Transfer Scheme (NTS) became a mandatory scheme in November 2021. The NTS allocations model allocates unaccompanied asylum-seeking children (UASC) to local authorities based on a range of factors, including population and numbers of looked after and accommodated children (LAAC). In addition to NTS placements there are other routes where children and young people can seek refuge within local authorities. These often occur through spontaneous arrivals, where children present or are found by Police Scotland within the boundaries of West Dunbartonshire.

Any UASC young person has the right to be supported as any other LAAC would. West Dunbartonshire continues to have a growing number of UASC who require varying levels of support. Earlier this year, the Home Office confirmed West Dunbartonshire exceeded the 0.07% threshold (current numbers c40 UASC) set. The Children and Families, medium term plan “What Would It Take” considered how traditional LAAC services could be re-designed to manage this demand, and this is factored into future year budget estimates.

5. *Public Sector Pay Policy*¹⁷

The Scottish Government have identified their public sector workforce as its most valuable asset, with spending on pay accounting for over half of the entire Scottish resource budget. However, the parameters set in recent years have not fully accounted for the high rates of inflation, post pandemic, resulting in significant variation in budget assumptions versus pay settlements.

While the Scottish Government committed to fully fund the cost across the health service, with appropriate shares passed through to IJBs, local authorities received only part funding. Whilst this covered the whole of its workforce, there was no requirement to pass a proportionate share to IJBs. This had a detrimental impact on the HSCP Board’s financial outturns in both 2022/23 and 2023/24.

The most recent publication of the pay policy covers the period 2024/25 to 2026/27, and while it factored in an above inflation rise of 3% for all three years, this has fallen short against 2024/25 pay deals. This outlook has included 3% as the mid-range estimate for local authority staff while no assumption is made regarding health staff at this time.

6. *Scottish Living Wage and Fair Work Practices*

Since 2016/17 the Scottish Government has recommended minimum pay settlement (Scottish Living Wage) for adult social care workers in commissioned services. In 2024/25 this policy was extended to include children’s social care workers. This has been supported by additional funding, in contrast to other core social care services which have not received any uplift as local authorities were only directed to roll-forward budgets at existing levels.

While the funding received for this policy commitment has been welcome, it has not always fully covered the costs of delivering annual uplifts to service providers, in particular for children’s services. The mid-range projection assumes uplifts for 2025/26 and 2026/27 of 10.88% and 10.44% respectively to work towards payment of £15 per hour by a backstop date of April 2027. This aspiration is set

¹⁷ [scottish-government-public-sector-pay-policy-2024-25.pdf \(www.gov.scot\)](https://www.gov.scot/publications/scottish-government-public-sector-pay-policy-2024-25/pdf)

out in recent correspondence between the Scottish Government and CoSLA dated 8 November 2024.¹⁸ If the Scottish Government continues with this policy commitment it is assumed that funding will be put in place to meet the associated costs.

7. *The Promise*

In October 2016, the First Minister made a commitment to figure out how Scotland could love its most vulnerable children and give them the childhood they deserve. The Independent Care Review was commissioned and between February 2017 and February 2020 the Care Review worked to figure out how to keep that promise. Between 2021 and 2030, the Promise will be shaped into series of plans and outlining the priorities and action across that period.

Keeping the Promise fundamentally means supporting families – and brothers and sisters – to live together within their homes and communities, maintaining connections with peers, schools, using strengths-based and trauma informed approaches. This involves working with families' strengths, and seeing families as experts in their own lives, as a basis for promoting meaningful change in order to support families to stay together. When children and young people can't remain at home with their parents, we want to make sure they feel cared for, supported and loved within their communities and by those caring for them.

To date, the Scottish Government has only provided small pockets of funding through the Corra Foundation, which is being supplemented by application of non-recurring reserves. To deliver the whole system change required, services need to be re-designed. As discussed above, the Keeping the Promise commitments has also been considered as part of the "What Would It Take" medium term plan.

8. *Primary Care*

Robust and adaptive primary care services are essential to delivering direct care within a community setting. The Scottish Government has committed to a re-design of primary care services supported by the introduction of the 2018 GP contract. Delivery is supported by the Primary Care Improvement Fund that is allocated on an annual basis to IJBs. Later in 2024, NHSGG&C will publish a strategy for primary care services that will set out the system-wide priorities for the next 5 years.

¹⁸ [Letter-from-CSFLG-to-SJC-unions-08-November-2024.pdf](#)

9. *Safe and Effective Staffing and Reduction in NHS Working Week*

The Health and Care Staffing (Scotland) Act 2019 was enacted in June 2022 and sets out duties for Health and Social Care Providers to provide safe, high-quality services to achieve the best outcomes for service users. In order to achieve high standards of care there is a requirement to ensure there are suitably qualified and competent staff working to provide the right care at the right time. Since 2022 we have been working on the required safer staffing model prior to these duties going live in 2024.

There has been no additional funding to support this policy, instead staffing models have been remodelled and mechanisms put in place to monitor daily staffing levels. The implementation has been complicated by the reduction of the working week for NHS staff from 37.5 hours per week to 37 hours per week as of 1 April 2024. Some Scottish Government funding has been received to cover local costs, and it is assumed that the further reduction to 36 hours per week will also be funded as required.

Local Context

Role and Remit of West Dunbartonshire HSCP Board

West Dunbartonshire Integration Joint Board (IJB), known locally as the HSCP Board, was formally established on 1 July 2015, and has the responsibility for the strategic planning and commissioning of a wide range of community health and social care services. While the Public Bodies (Joint Working) (Scotland) Act 2014 legislated for the minimum delegation of adult community health and social care services, in West Dunbartonshire, the Council also agreed to delegate children's social work and care services and community justice to the Integration Joint Board (IJB), known locally as the HSCP Board. Approximately only one third of IJBs have children's services delegated to them by their local authority partner.

The functions are detailed in the formal partnership agreement between the two partner organisations, West Dunbartonshire Council (WDC) and NHS Greater Glasgow and Clyde (NHSGGC). This agreement, referred to as the Integration Scheme¹⁹.

¹⁹ [wdhscp-integration-scheme-may-2015.pdf](#)

Everyone in West Dunbartonshire lives in a place they can call home, in communities that care, doing things that matter to them, leading healthy, happy and fulfilling lives, and, when they need it, receiving care and support that prioritises independence, control, choice and recovery.

Demographics and Demand Pressures

West Dunbartonshire is a diverse area set along the banks of the River Clyde, with a rich industrial heritage still evident in our local communities today. It has a population of approximately 88,340 people across its two identified localities of Alexandria/Dumbarton and Clydebank.

Population, health and deprivation impact on demand for health care, social care and social work services and can often result in higher levels of support being required across all services and at an earlier age than other neighbouring HSCP areas. To support and shape our current Strategic Plan 2023 – 2026: Improving Lives Together²⁰, a detailed Strategic Needs Analysis²¹ was completed, which took a population view by using an epidemiological approach to describe:

- Why some population groups or individuals are at greater risk of disease e.g., socio-economic factors, health behaviours'
- Whether the burden of diseases are similar across the population of West Dunbartonshire
- Health & Care provision in the community, including the patterns of service use across West Dunbartonshire HSCP.

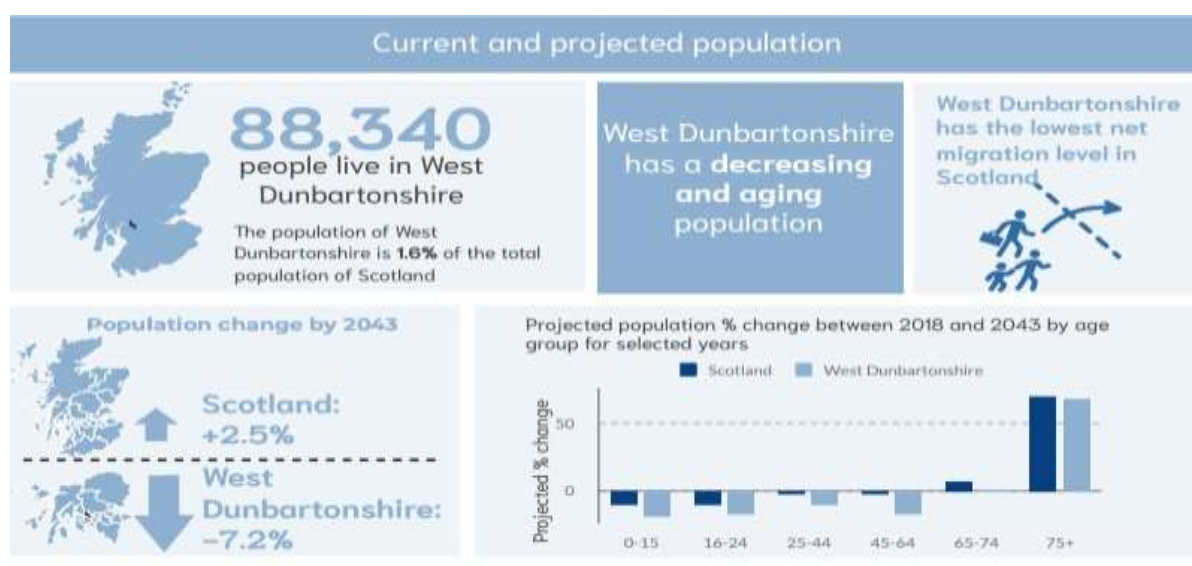
Sections are structured around Population View, Individual Behaviours, Burden of Disease and Health & Care provision in the Community.

²⁰ [wdhscp-strategic-plan.pdf](#)

²¹ [sna-aop-june-2022.pdf \(wdhscp.org.uk\)](#)



Population View and Projections



Life Expectancy and Mortality



Healthy life expectancy 2018–2020 in West Dunbartonshire:



In line with a picture of declining healthy life expectancy in Scotland as whole, West Dunbartonshire has seen a decrease since 2015. West Dunbartonshire has the 5th lowest healthy life expectancy in Scotland. There is a clear link between deprivation and healthy life expectancy.

Standardised death rate in West Dunbartonshire



In 2020, there were 1,253 deaths in West Dunbartonshire. This is a 20% increase from 1,046 in 2019. The number of deaths in 2021 was similar to 2020 at 1,238.

Leading causes of deaths in West Dunbartonshire:



If all cancers were grouped together, cancer would be the leading cause of death.

Rates of premature death
(age <75)

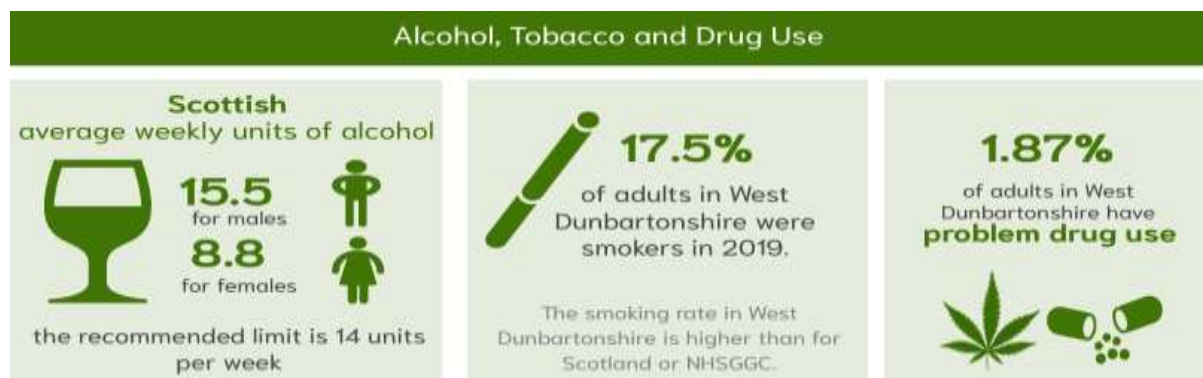
4x
higher

for the **most**
deprived than
the least
deprived areas
in Scotland

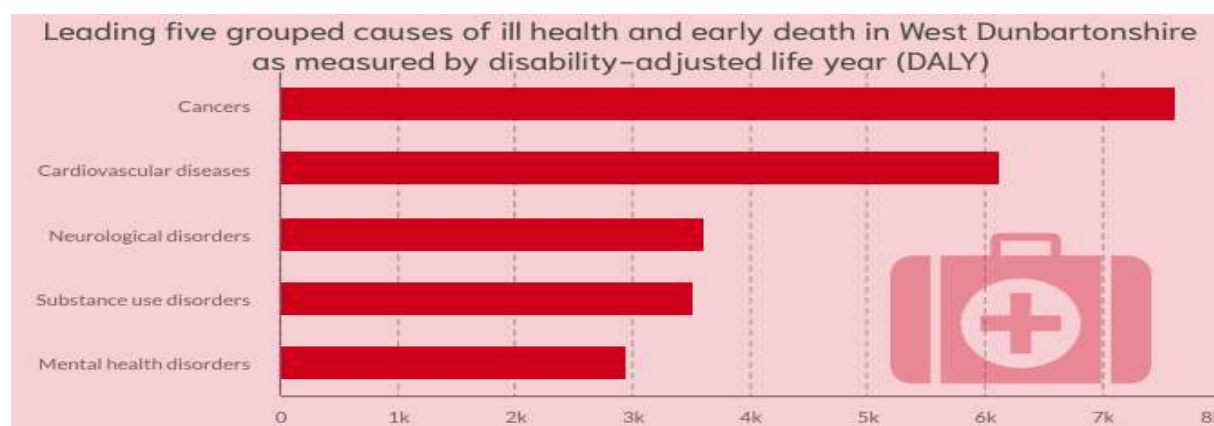
Poverty and Deprivation



Individual Behaviours



Burden of Disease



Substance Use Disorders are ranked the 4th highest burden of disease.

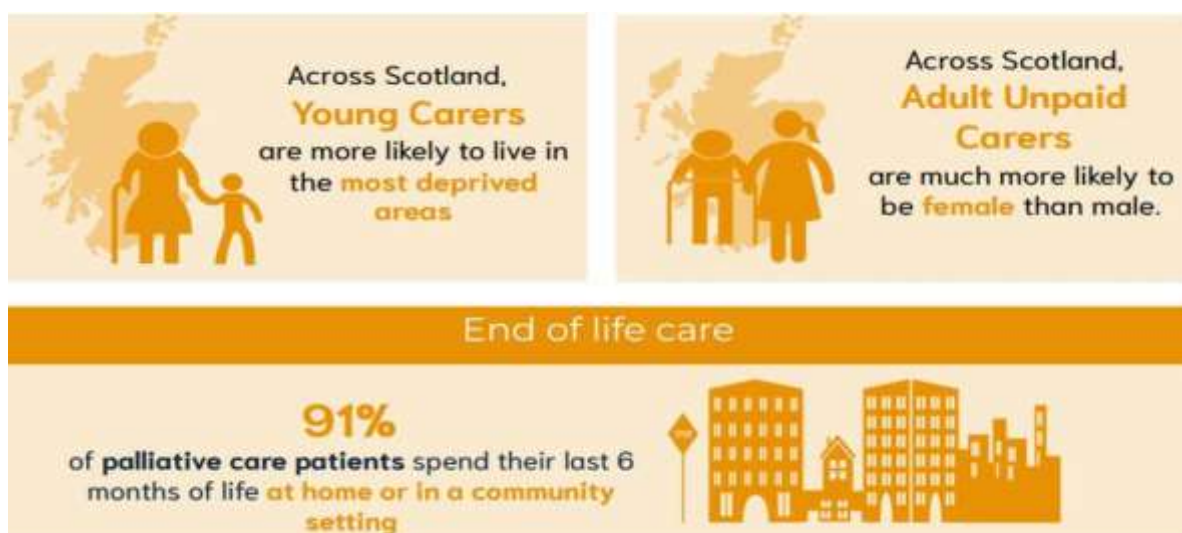


Trend data show West Dunbartonshire has consistently had a higher rate of alcohol specific deaths compared to Scotland. Between 2002-06 and 2009-13 the rate overall was in decline, with some fluctuation over the most recent time periods.

The range of conditions grouped under the five main causes of ill health and early death in West Dunbartonshire have significant impacts on the daily lives of our citizens and the families and carers who support them. Above average levels of poverty and deprivation are clearly contributory factors in the burden of disease and well as other triggers for other public protection concerns, in particular the prevalence of Domestic Abuse. Rates of domestic abuse are the 2nd highest in Scotland at 168 per 1,000 population, based on incidents reported to the police. This in turn can lead to the breakdown of families and children and young people requiring to leave their home and be looked after in a range of community settings.

All the above shape the services we deliver to the individuals and families within West Dunbartonshire, while having to do so within increasing financial constraints as funding settlements fail to take account of local challenges.

Health and Care in Our Community



Beyond the Pandemic

While the daily restrictions of the COVID-19 pandemic are well behind us, our communities had little time to recover before the cost-of-living crisis peaked through 2023/24. Significant increases in the cost of heating, food and travel places additional strain on both individuals and families finances as well as delivery of HSCP services. The legacy impact of COVID-19 on the health and wellbeing on our population is yet to fully reveal itself and the HSCP Board has to be ready to re-prioritise limited financial resources to respond to changes in burden of disease and individual behaviours as they reveal themselves.

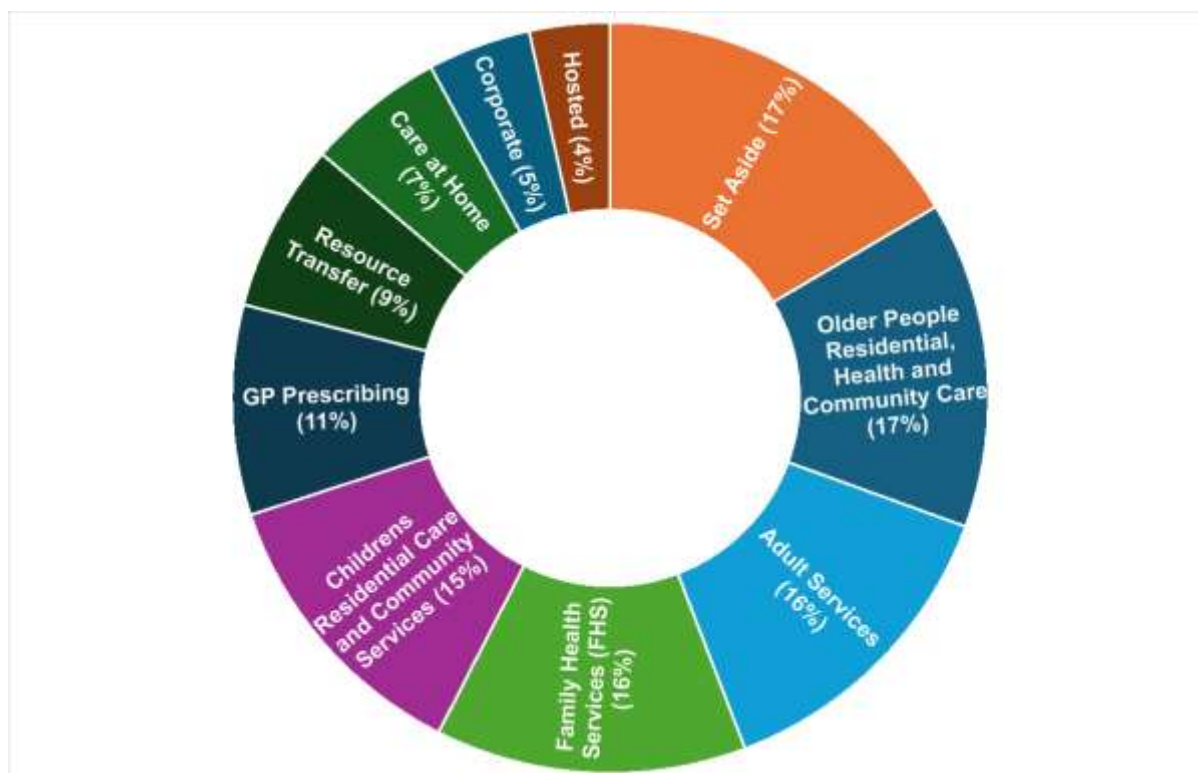
Our Budget

As well as the roll-forward of core recurring budgets, the Scottish Government provide additional funding to Health Boards and Local Authorities to be passed through to Integration Authorities to support the continued implementation of the range of legislative and policy commitments, examples of which that have been described in the section above: UK and Scotland Legislative and Policy Changes.

Where funding has been confirmed at an individual HSCP level, this is reflected within the refreshed financial outlook as is any anticipated shortfalls in delivering fully on the policy commitments.

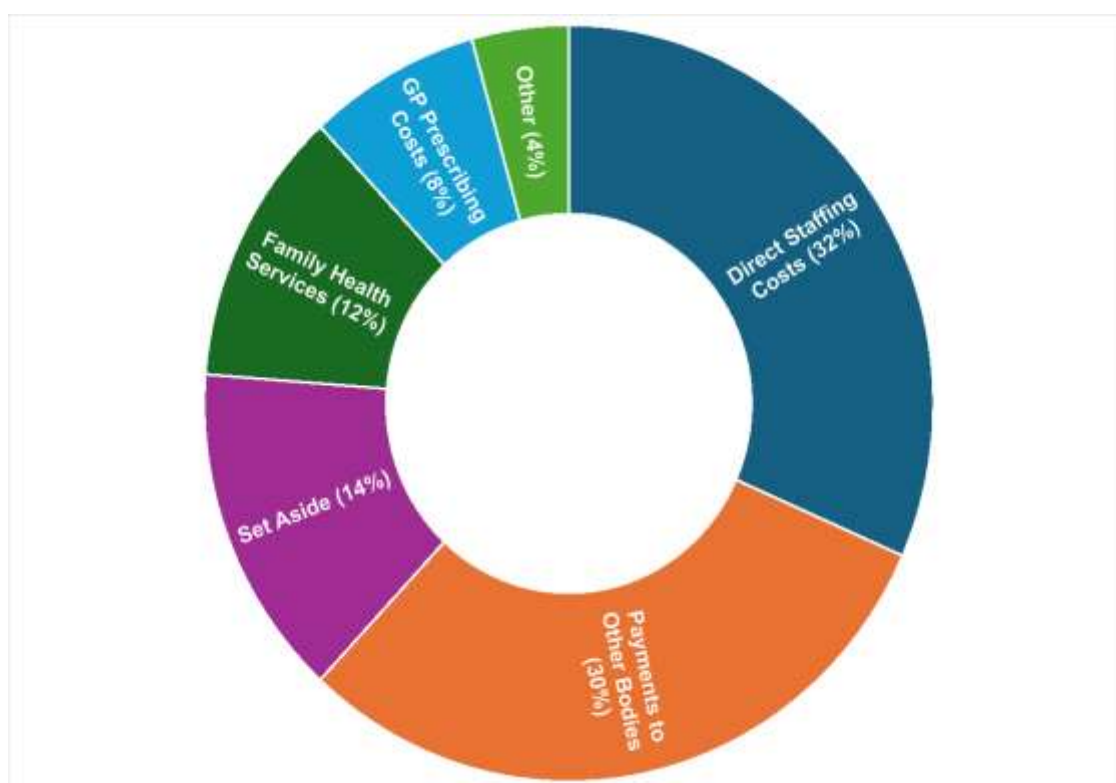
Our current 2024/25 revenue budget to deliver our strategic priorities is £204.360m, before adjustment for approved spend funded from earmarked reserves, and excluding budgets managed by WDC for care of gardens and some aids and adaptations. Individual partner contributions are £89.291m from the council and £115.069m from the health board. In addition to this, our notional share of the NHSGGC set aside budget (for services delivered within acute settings) is £40.596m.

Chart 1 – 2024/25 Budget



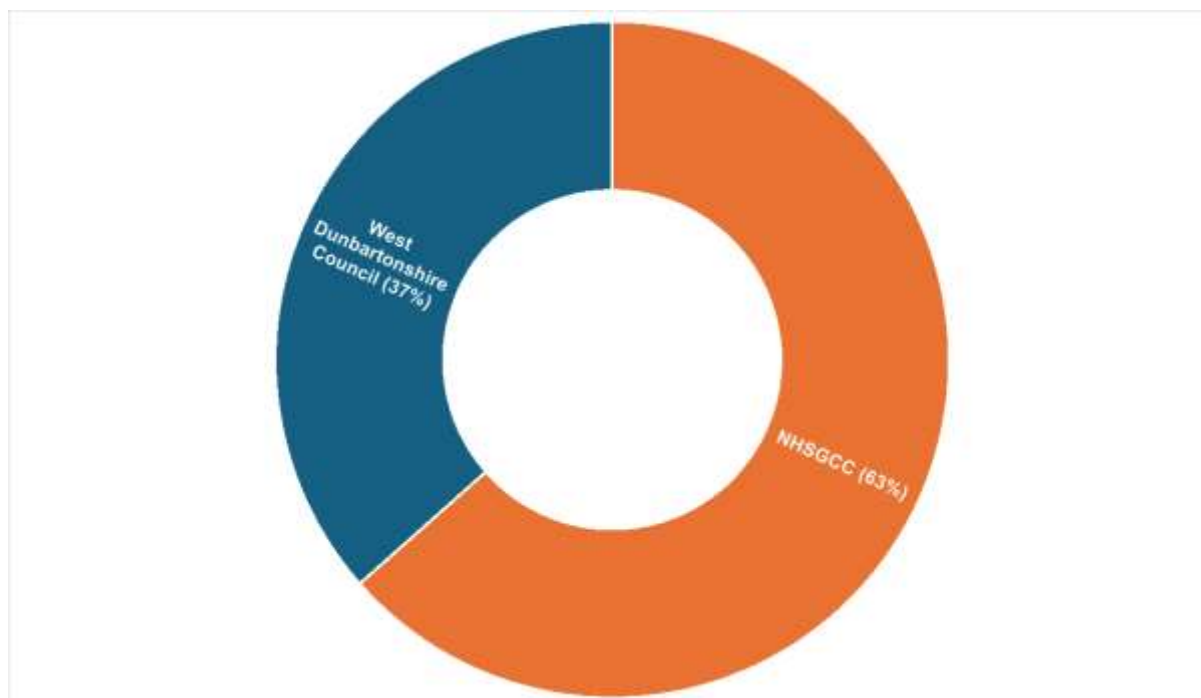
The health board allocation is still indicative as calculations on appropriate shares of pay award funding to be passed through to HSCPs are ongoing. The Scottish Government committed in its budget letter in December 2023, to fund the costs of any health pay deal, which settled at 5.5%. Our expectation is that our share of this funding should be circa £1.85m.

Chart 2 – 2024/25 Subjective Spend Categories



The HSCP Board is responsible for the financial governance of the budgets delegated to it. The Board receives regular financial performance reports which allow members to scrutinise how resources are being used and where they are under strain. These reports update on the progress of savings, service redesign and application of a range of reserves which underwrite elements of these programmes and the future sustainability of the HSCP Board.

Chart 3 – Funding allocation Partner Organisations



Hosted Services

West Dunbartonshire HSCP Board hosts the Musculoskeletal (MSK) Physiotherapy Service, the Diabetic Eye Service (previously referred to as Diabetic Retinal Screening) and a small element of Old Age Psychiatry on behalf of NHSGCC area across the whole area. Table 2 below shows how the 2023/24 costs (as per the WDIJB Audited Accounts for 2023/24) relates to the use of the services by all HSCP within the NHSGCC area.

Table 2 - Services Provided to Other IJB's Hosted by WDHSCP

Services Provided to Other IJB's within NHSGCC Hosted by West Dunbartonshire HSCP	2023/24 £m
MSK Physiotherapy	7.665
Retinal Screening	0.801
Old Age Psychiatry	0.102
Net Expenditure on Services Provided	8.568

Similarly, each of the other 5 HSCPs hosts one or more services on behalf of the other HSCPs. Table 3 below shows the 2023/24 cost of our population's consumption of those services.

Table 3 – Services Provided to WDHS CP by Other IJBs within NHSGCC

Services Provided to West Dunbartonshire HSCP by Other IJB's within NHSGCC	2023/24 £m
Oral Health	0.880
Learning Disability	0.658
Continence	0.512
Sexual Health	0.643
Mental Health Services	2.288
Specialist Children's Services	3.453
Augmentative and Alternative Communication	0.006
Addictions - Alcohol and Drugs	1.139
Prison Healthcare	1.011
Health Care In Police Custody	0.208
General and Old Age Psychiatry	4.486
Podiatry	0.515
Primary Care Support	0.302
Net Expenditure on Services Provided	16.101

Under current arrangements there are no financial transactions between HSCPs for hosted services. Costs for information only to allow us to understand the total system wide costs of our population use of services; however, this arrangement may change in future years, after the current review of the Integration Schemes is concluded. This could result in a population/activity share of all budget variations.

The set aside budget is set at £40.596m and is West Dunbartonshire's share of NHSGGC's resource to meet the costs of unscheduled care or emergency admissions to hospital. While it is a key component of the HSCP's total financial resource, it remains a notional budget. The acute hospital sector delivers the care by utilising the set aside resource. Until HSCPs can demonstrate that they have successfully shifted the balance of care in a sustainable way, the budget will remain notional.

Shifting the balance of care without being able to access the set aside budget to invest in community-based services is challenging. Other opportunities from investment in primary care improvement, mental health outcomes and multidisciplinary teams are supporting this shift, but many allocations remain non-recurring and are subject to efficiency savings as the Scottish Government addresses its own budget gaps.

Medium Term Financial Outlook

It is anticipated that the public sector in Scotland will continue to be fiscally constrained in the coming years. The medium term financial planning period 2024/25 to 2027/28 will be extremely challenging for the HSCP Board as it seeks to balance increasing demand against diminishing resources and legislative and policy commitments within funding that is subject to change, and in many instances awarded on a non-recurring basis.

While Scottish Government's future funding settlements are uncertain, our partners West Dunbartonshire Council and NHS Greater Glasgow and Clyde Health Board have set out the anticipated scale of their funding challenges in their medium to long term outlooks, including some high-level assumptions on funding to the HSCP Board, the most significant being a continued "flat cash" or 0% uplift on recurring budgets. This coupled with increasing demand for services will require careful assessment, but early scenario planning would suggest the scale of the annual savings challenge, based on the mid-range, could be approximately 5% to 7% of the HSCP Board's resources.

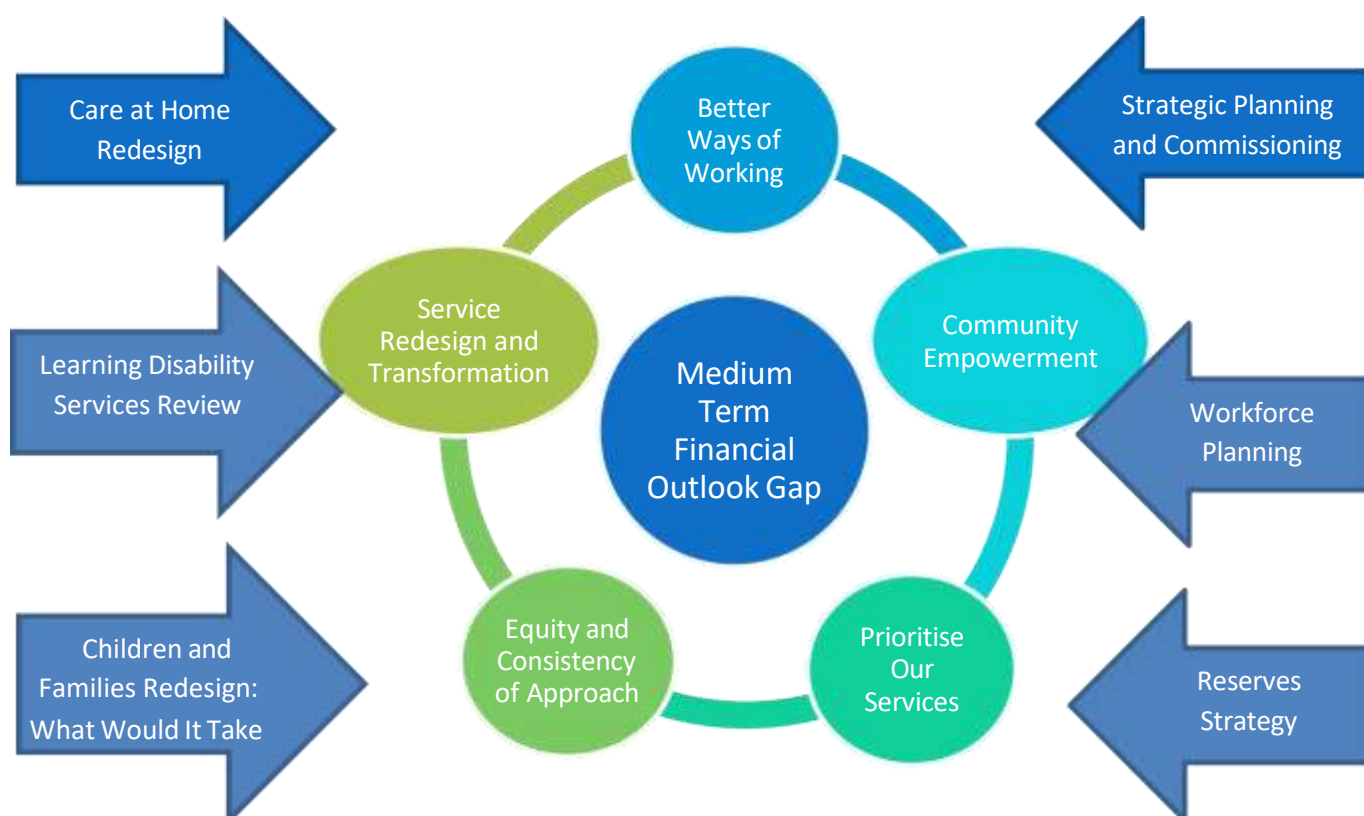
This **medium term financial outlook** is centred on financial sustainability and service redesign. In order to understand the scale of the financial challenge a detailed analysis of costs and demands includes:

- Pay inflation and pension costs – uncertainty around pay settlements for public sector workers, despite public sector pay policy, and revised contribution rates for national insurance and pension schemes;
- Demographics – reflecting the increases in over 65+ and over 75 years population often coping with a range of health conditions against a challenging social and economic climate. Versus significant reductions in our 0-15 population and our 45-64 age groups;
- Contractual price increases – commitment to adhering to the National Care Home Contract and to deliver Scottish Living Wage to all social care workers employed by our third sector and private providers;
- Prescribing Costs – inflationary increases, short supply issues and increases in volumes in the treatment of complex health conditions; and
- Legislative and policy commitments – continued uncertainty in levels of funding and removal of the ability to carry forward into future years.

Our plans and approach to closing the gap

The HSCP's senior teams have a focus on redesign of services and are constantly modifying service provision to ensure the best services are provided within the agreed budget. A number of workstreams are underway, and while some of the expected financial savings are factored into this financial outlook, it will be subject to constant review to fully determine how and where service redesign can improve service delivery can and reduces the overall costs of service to contribute towards closing the financial gap.

These workstreams are being supported by our service improvement, finance teams and HR, with some additional fixed term costs funded by our Transformation and Redesign reserve.



Our approach can be summarised under the broad key themes:

- Better ways of working – integrating and streamlining teams including the benefits of information technology to deliver services more efficiently will release financial savings and protect front line services;
- Community Empowerment - support the vision for resilient communities with active, empowered and informed citizens who feel safe and engaged to be a main contributor to service change across health and social care;
- Prioritise our services – local engagement and partnership working are key strengths of the HSCP. We must think and do things differently to manage within our budget, and find new solutions to providing support to those who need it;
- Equity and Consistency of approach – robust application of Eligibility Criteria for new packages of care and review of current packages using the My Life Assessment tool; and
- Service redesign and transformation – build on the work already underway redesigning support to people to remain or return to their own homes or a homely setting for as long as possible. This will be across all care groups including older people, learning, physical and mental disabilities and children and families, in partnership with Housing services, third sector and local providers.

Progress on to date

Our three major service reviews and redesign projects are at varying stages. Our review of Care at Home Services has been underway since 2022 and is now moving through the implementation phases after extensive and ongoing staff engagement, coupled with lengthy job evaluation exercises, which have increased costs. Moving our committed workforce onto shift patterns that better support the needs of our service users, and the wellbeing of our staff should be complete by March 2026.

The impact of poverty, addiction, poor mental health and domestic abuse on our children and young people and their families needed a new approach to improve outcomes and slowdown the increasing costs of residential and community placements. HSCP Board approval in March 2024, of the five-year medium-term plan “What Would It Take”, poses the question to professionals and families to consider would need to be in place and look differently for a child to remain at home or with family? And what would be needed and what can services and families do, as part of a child’s plan to support safe and sustainable care? There is some early evidence in 2024/25 that we are shifting the balance of care, from expensive external

supported accommodation to supporting young people to live independently within their own tenancies with support when needed.

The third key strategic workstream is a comprehensive review of Learning Disability Services, approved by the HSCP Board in June 2024. The review of learning disability services will ensure that they adapt and are robust enough to be able to meet the changing demand with reduced resources. The Scottish Government launched the Community Change Living Fund which drives forward the Coming Home agenda. Supporting this agenda will include developing and enhancing a range of community resources that recognise the individual strengths of a person with a learning disability to allow them to live as independently as possible.

As part of the 2024/25 budget setting process a total of £0.850m of management actions were identified (and on track to overachieve), which were aligned to consistent assessment and review practices and reviewing traditional building based services. While the day centre model is the most appropriate support for some of our more complex adults, more flexible support can achieve better outcomes for many others living with a learning disability.

All three redesign workstreams are supported by our Information Team, Finance Team, Contracts and Commissioning Team and HR. The Strategic Needs Assessment, underpinning the Strategic Plan highlighted a need for a more focussed approach to commissioning, able to respond to local needs and build on the strong community and third sector infrastructure already in place.

To ensure a more measurable approach, a Commissioning and Contract Management Framework has been developed; further clarifying the responsibilities and roles of strategic commissioning and contract management within the entire HSCP across all services alongside the Council's Procurement Team.

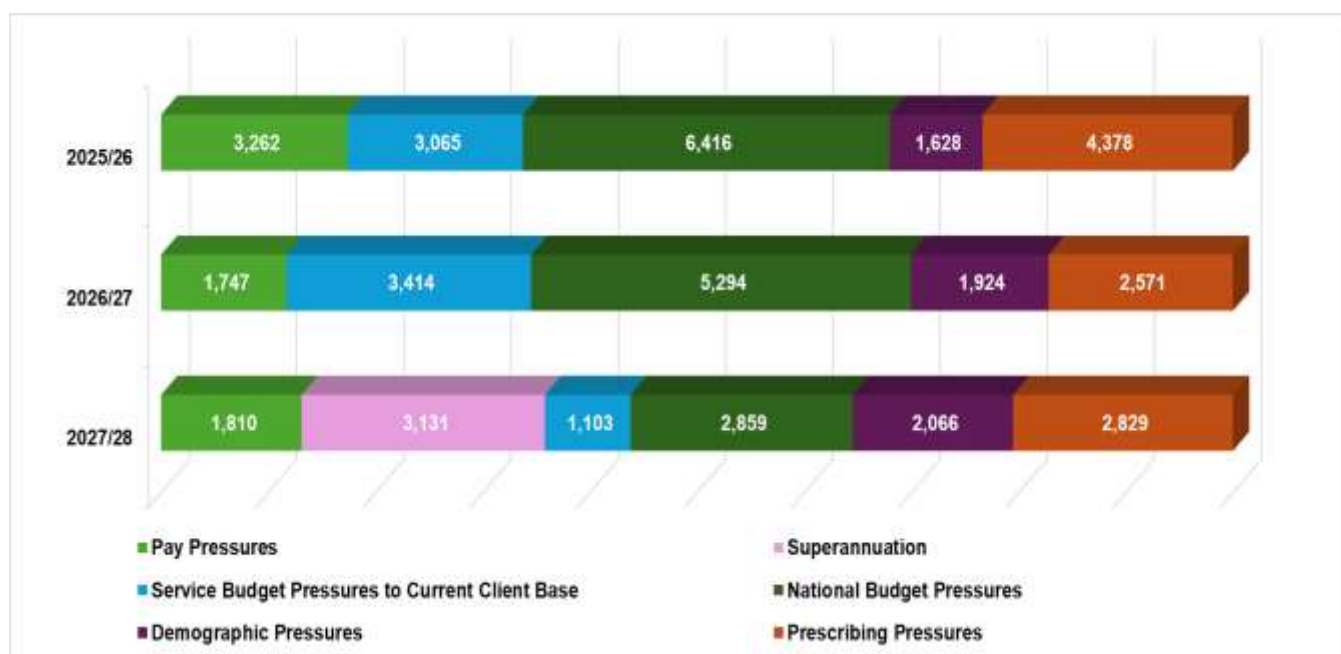
The approach will be embedded with Service Managers supporting a streamlined and consistent contract monitoring approach across the HSCP and wider partners. This aligns more clearly to the direction of travel for the Care Inspectorate inspection processes in terms of a self-evaluation quality improvement framework aligned to quality headings.

Key Budget Pressures and Planning Assumptions

The funding pressures over medium term relate to demand for services, either from legislative changes or changes in population, inflationary increases and any changes in regulation or policy.

The key mid-range budget pressures are highlighted in graph 1 and 2 for the period 2025/26 to 2027/28 below. These graphs illustrate the anticipated level of growth in the key budget pressures in the absence of preventative action, with full details provided in Appendix 1.

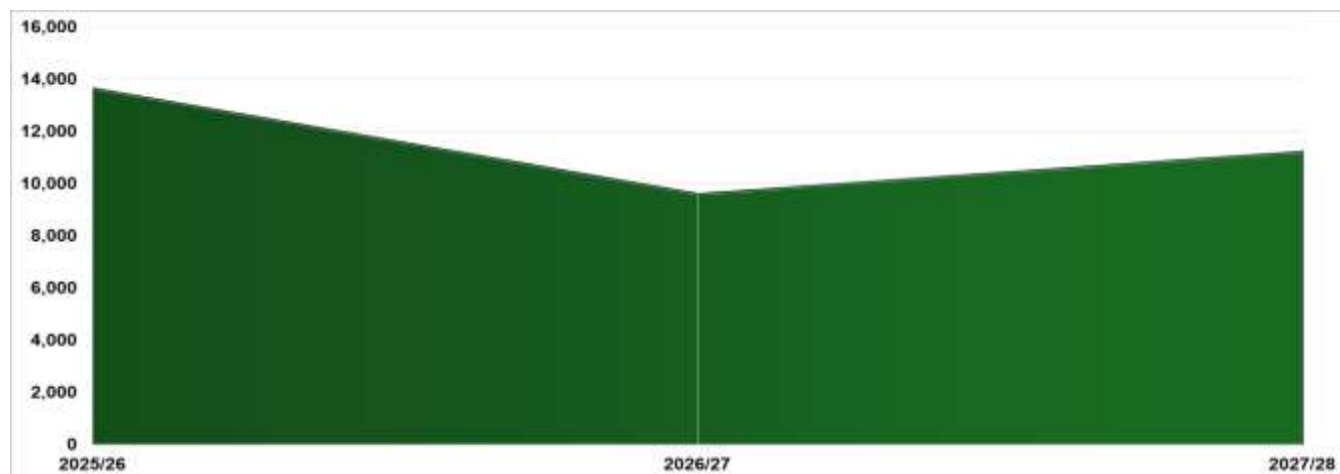
Graph 1 - Key Budget Pressures to 2027/28



Prescribing is a particularly volatile area as in addition to price and demand changes, costs can also be impacted by short supply of drugs, new drugs to the market, existing drugs coming off patent and other price mechanism changes.

There are a number of areas where caseload or staffing ratio to numbers of patients will determine changes to the workforce. For example, there are staffing models that determine how many District Nurses or Health Visitors are required for the population size. This is in addition to the requirements of safe and effective staffing levels required under the Health and Care Staffing (Scotland) Act 2019, enacted in June 2022. Workforce plans have to factor in any potential costs and consider at skills mix as a tool to minimise costs while delivering care safely.

Graph 2 – Anticipated Change in Budget Pressures to 2027/28



The key assumptions in the best, worst and mid-range case are summarised in table 4 below with graphs 1 and 2 showing the mid-range case. The best- and worst-case budget pressures are detailed in Appendix 1.

Table 4 – Key Budget Assumptions for 2025/26

2025/26 Budget Assumptions	Best-Case	Mid Range-Case	Worst-Case
Social Care			
Partner Funding	0.00%	0.00%	-1.00%
Funding for NI on Commissioned Services	2.87%	0.00%	0.00%
Pay Uplift	2.00%	3.00%	4.00%
NI on Direct Staffing	0.00%	0.00%	0.00%
NCHC Uplift	8.00%	9.00%	10.00%
Scottish Living Wage Uplifts (Adults, Children and DP)	9.88%	10.88%	11.88%
External fostering Scotland Excel	2.00%	3.00%	4.00%
Kinship, Internal Fostering and Adoption	0.00%	2.60%	4.00%
NI Uplift for Commissioned Services	2.87%	2.87%	2.87%
Demographic Pressures (Adults)	2.00%	3.00%	4.00%
Demographic Pressures (Children)	-1.00%	2.00%	4.00%
General Non Pay Inflation	1.60%	2.60%	3.60%
Sales fees and charges	3.00%	4.00%	5.00%
Resource Transfer Uplift	0.00%	0.00%	0.00%
Health Care			
Partner Funding	0.00%	0.00%	0.00%
Pay Uplift	0.00%	0.00%	0.00%
NI on Direct Staffing	0.00%	0.00%	0.00%
Prescribing	9.00%	10.00%	11.00%
Contractual Cost Commitments (Non Prescribing FHS)	0.00%	0.00%	0.00%
General Non Pay Inflation	1.20%	2.20%	3.20%

Reserves Position

Integration Authorities are subject to the audit and accounts regulations and legislation of a body under Section 106 of the Local Government (Scotland) Act 1973. As a local government body, Integration Authorities are able to hold reserves.

Since the HSCP Board was established in July 2015 we have prepared for the anticipated financial challenges through the creation of reserves as underpinned by our Reserves Policy²².

Reserves are generally held to do three things:

- Create a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing – this forms part of general reserves;
- Create a contingency to cushion the impact of unexpected events or emergencies – this also forms part of general reserves; and
- Create a means of building up funds, often referred to as earmarked reserves, to meet known or predicted liabilities.

The balance of the reserves normally comprises of three elements:

- Funds that are earmarked or set aside for specific purposes;
- Funds which are not earmarked for specific purposes, but are set aside to deal with unexpected events or emergencies; and
- Funds held in excess of the target level of reserves and the identified earmarked sums. Reserves of this nature can be spent or earmarked at the discretion of the HSCP Board.

Our reserves can be summarised into the following categories within Table 5.

Table 5 – Anticipated Reserve Position as at 31 March 2025

Analysis of Reserves	Actual Opening Balance as at 1 April 2024	Forecast Movement in Reserves	Forecast Closing Balance as at 31 March 2025
	£000	£000	£000
Unearmarked Reserves	3,504	(4,286)	(782)
Total Earmarked Reserves	15,150	(2,818)	12,331
Total	18,654	(7,104)	11,549

²² [reserves-policy-april-2020.pdf \(wdhsc.org.uk\)](https://www.wdhsc.org.uk/reserves-policy-april-2020.pdf)

In light of the size and scale of the Board's responsibilities over the medium term, the policy sets out that a prudent level of general reserves will represent c2% of net expenditure (excluding Family Health Services). For 2024/25 this equates to £4.2m.

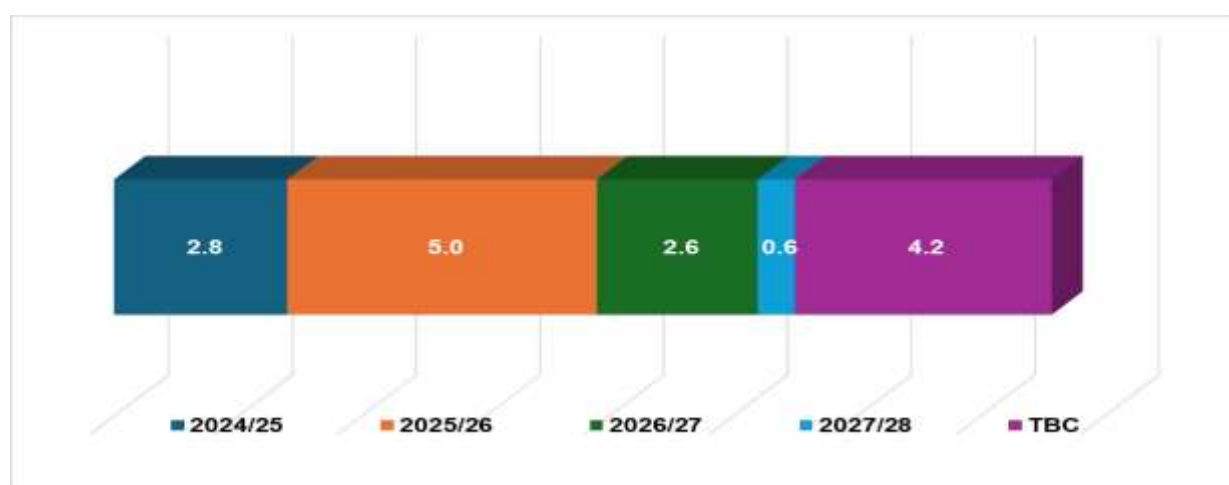
Table 5 above sets out the stark reality the 2024/25 projected overspend of £4.286m, will have on our level of general reserve, in effect wiping it out as well as requiring some element of earmarked reserves to be released.

The HSCP senior management team are responsible for securing in-year efficiencies, including vacancy control measures, no discretionary spend, maximising independence and building capacity in our communities, developing local frameworks to both better respond to local needs and reduce costs by supporting staff wellbeing, reduce absence levels and minimising reliance on agency workers.

The current economic climate and cost of living crisis have pushed pay settlements above expected levels. This is not sustainable for the future of our social care services, against the trend of 0% funding uplifts, exacerbated by no pass through of any additional funding. Strategic priorities will have to be revisited and the potential risks to those who use our services, clearly articulated to minimise the impact of any future service reduction.

Graph 3 shows the anticipated use of earmarked reserves and highlights the rate of depletion based on current plans. Given the projected outturn for 2024/25 and anticipated budget gaps for the period to 2027/28 it is likely that plans may require to be revised.

Graph 3 – Anticipated Timeline of use of Earmarked Reserves



Timing of reserves to be confirmed (TBC) are subject to progress of Board wide strategies (e.g. mental health).

Financial Projections for the Period 2024/25 to 2027/28

In order to initially set a balanced budget for 2024/25, an initial cost pressure of £10.839m was mitigated by agreed management actions, savings programmes, smoothing of superannuation savings and application of earmarked reserves.

The financial position from 2025/26 onwards details “mid-range” cumulative budget gaps of between £13.667m to £34.512m based on projected budget pressures and current assumption on the level of contribution from our Partners as detailed in table 4 above. The application of these assumptions produces the draft budget positions for 2025/26 to 2027/28, shown in table 6 below.

Table 6 – Final and Indicative Budgets to 2027/28

Approved / Draft Budget by Service Area	2024/25 Approved Budget	2024/25 Projected Outturn	2025/26 Draft Budget	2026/27 Draft Budget	2027/28 Draft Budget
	£000	£000	£000	£000	£000
Older People Residential, Health and Community Care	34,282	34,937	38,606	41,417	44,934
Care at Home	14,520	18,839	16,190	17,473	19,750
Physical Disability	2,947	2,990	3,469	3,999	4,359
Childrens Residential Care and Community Services	30,554	31,161	33,983	35,851	38,301
Strategy, Planning and Health Improvement	1,987	2,088	2,094	2,140	2,304
Mental Health Services - Adult and Elderly, Community and Inpatients	11,660	11,249	12,197	12,823	13,321
Addictions	4,052	3,878	3,723	3,897	4,056
Learning Disabilities - Residential and Community Services	14,853	14,677	18,042	20,885	23,195
Family Health Services (FHS)	32,718	32,719	32,758	32,758	32,758
GP Prescribing	22,247	24,286	25,917	28,493	31,326
Hosted Services	8,457	8,671	9,444	9,452	9,460
Criminal Justice (Including Transitions)	81	195	180	253	487
Resource Transfer	17,814	17,814	17,814	17,814	17,814
Contingency	517	(1,447)	(1,490)	2,937	0
HSCP Corporate and Other Services	8,375	10,004	7,162	7,394	6,186
Net Expenditure	205,063	212,061	220,088	237,585	248,251
Set aside for delegated services provided in large hospitals	40,596	40,596	40,596	40,596	40,596
Assisted garden maintenance and Aids and Adaptions	309	309	309	309	309
Total Net Expenditure	245,968	252,966	260,993	278,490	289,156

Anticipated Resources	2024/25 Approved Budget	2024/25 Projected Outturn	2025/26 Draft Budget	2026/27 Draft Budget	2027/28 Draft Budget
	£000	£000	£000	£000	£000
West Dunbartonshire Council	89,291	89,291	94,132	99,477	102,037
Assisted garden maintenance and Aids and Adaptions	309	309	309	309	309
NHSGCC	115,069	115,069	111,512	111,512	111,512
Set Aside	40,596	40,596	40,596	40,596	40,596
Superannuation Smoothing Reserve	(1,447)	(1,447)	(1,490)	2,937	0
Application of What Would It Take Strategy Reserves			459	190	190
Application of Previously Approved Earmarked Reserves	2,150	2,044	1,809	195	0
Total	245,968	245,862	247,327	255,216	254,644

Actual / Indicative Budget Gaps	2024/25 Approved Budget	2024/25 Projected Outturn	2025/26 Draft Budget	2026/27 Draft Budget	2027/28 Draft Budget
	£000	£000	£000	£000	£000
Annual Budget Gap					
Health Care	0	1,273	3,476	3,263	3,044
Social Care	0	5,831	3,087	6,344	8,194
Total	0	7,104	6,563	9,607	11,238
Cumulative Budget Gap					
Health Care	0	1,273	4,749	8,012	11,056
Social Care	0	5,831	8,918	15,262	23,456
Total	0	7,104	13,667	23,274	34,512

Risk and Sensitivity Analysis

This medium term financial outlook sets out modelled future implications and that in itself is a risk. Over-estimated cost pressures mean we may plan to save more than we need to and vice versa with both scenarios impacting on the funding available to deliver services. There is judgement and balance needed when estimating and planning for future savings. What is not factored into these draft budgets is any plan to replenish our general, unearmarked reserve balance back to the prudent 2% level as set out within our reserves policy. This would require a decision by the HSCP Board to agree savings options in excess of the projected gap, either in one year or phased in over two to three years.

The HSCP Board has its own strategic risk register and individual services hold operational risk registers. These are reviewed at least twice a year to add, remove or modify current risks, consider likelihood and impact, and agree mitigating actions.

The main risks impacting on the financial plan are as follows:

- The projected outturn for the current financial year highlights that the agreed savings and management actions built into the 2024/25 budget may not be fully delivered and will, if not mitigated against, not only fully utilise the unearmarked reserve and place pressure on earmarked reserves, requiring a revision of current plans, but will also add to the budget gaps for 2025/26 and beyond.
- Assumed pay uplifts for the period to 2027/28 are based on the information provided by the Scottish Government's Public Sector Pay Policy and WDC's financial planning assumptions. Pay uplifts agreed for 2024/25 are, however, in excess of levels outlined within the pay policy and there is a risk that future percentages agreed could be higher than anticipated. In line with NHSGGC's planning assumptions, no pay uplift has been factored in for health staff on the basis that the Scottish Government will continue to provide additional funding to cover this pressure.
- Slower than anticipated progress on service redesign projects exacerbates the financial impact associated with demographic pressures. Work on the care at home service redesign has been ongoing since 2022, however the complexities associated with moving staff to new working rotas, job evaluation submissions and changes to a number of processes have impacted on progress to date and not delivered on planned savings.
- Recruitment and retention of social care staff, especially in our third and independent sectors, was challenging pre-pandemic and remains so. The Scottish Government has committed to pay a fair, living wage (£12/hr from 1 April 2024), however the external market remains fragile. This coupled with rising inflation places a risk on nationally agreed contracts like the National Care Home Contract and other care providers seeking to move from locally agreed contracts to the Scotland Excel Care and Support Framework rates. It is also unclear at this time whether the UK Government will provide any relief on increases to employers' national insurance contributions for commissioned health and care services. If no relief is provided these increased employers' costs will be passed onto the HSCP.
- The pandemic exacerbated both physical and mental health issues, increasing level of complexity across our population and the full impact on post pandemic needs has still to reveal itself. This means that the requirement to put a multi-layered service package in place is not always foreseen and can add to in-year budget pressure.

- The uncertain global outlook on our primary care prescribing budget (c£22m) which is subject to national UK contracts, with manufacture taking place across global markets.
- Demand for services driven by legislative changes could outstrip the funding received, for example continued support for carers and free personal care to all adults.
- The Scottish Government's acceptance of the recommendations contained within the Independent Review of Adult Social Care (Feeley) Report and the creation of a National Care Service could have substantial implications for social care. There are a number of risks including the disruption major structural change could have on local delivery and local transformational change programmes and the high risk that the future costs will not be fully funded.

While the budget pressures (graphs 1 and 2) and financial projections (table 6) are based on a "mid-range" scenario a sensitivity analysis was undertaken to assess the impact of the best and worst changes to assumptions (table 4).

As the opening position for 2024/25 was a balanced budget, only the impact of the change in expenditure and resources for the period 2025/26 to 2027/28 from likely to worst is detailed in table 7 with best, mid-range and worst-case budget gaps for outlined in table 8.

Table 7 – Impact of change in assumptions for expenditure and resources

Expenditure Impact of Change in Assumptions	2025/26	2026/27	2027/28
Pay Pressures	569	605	635
Service Budget Pressures to Current Client Base	180	236	289
National Budget Pressures	475	642	738
Demographic Pressures	757	950	1,086
Prescribing Pressures	233	283	339
Total	2,214	2,716	3,087

Resource Impact of Change in Assumptions	2025/26	2026/27	2027/28
Reduction in WDC Funding	(889)	(881)	(872)
Children £12 P/Hr	3	8	23
Scottish Living Wage	41	89	272
Baselined MDT Funding	0	0	0
Total	(845)	(784)	(577)

Table 8 – Best, Mid-Range and Worst Case Budget Gaps from 2024/25 to 2027/28

Indicative Budget Gap	2024/25 Approved Budget £000	2024/25 Projected Outturn £000	2025/26 Draft Budget £000	2026/27 Draft Budget £000	2027/28 Draft Budget £000
Best Case	0	7,104	4,234	7,332	8,988
Mid Range	0	7,104	6,563	9,607	11,238
Worst Case	0	7,104	9,624	13,106	14,900

Long Term Financial Outlook

This financial plan covers the medium term to 2027/28, however a high-level financial position for the period to 2028/29 to 2034/35 will be developed and the outcome of this analysis detailed in the next update to the financial outlook.

This will also be reviewed and revised as future funding settlements are made, and transformational and redesign programmes begin to release long-term recurring savings.

West Dunbartonshire Health & Social Care Partnership

Medium Term Financial Outlook 2024/25 to 2027/28

Appendix 1

West Dunbartonshire Health & Social Care Partnership Budget Pressures for the Period 2025/26 to 2027/28

Best Case Scenario

Key Net Budget Pressures	Budget Pressures 2025/26 £000	Budget Pressures 2026/27 £000	Budget Pressures 2027/28 £000
Social Care			
<u>Pay Pressures</u>			
Pay Uplift - assumed at 2%	1,744	1,153	1,183
Job Evaluation	948	0	0
NI Uplift on direct staffing - Exclude at present pending SG discussions	0	0	0
Superannuation Increase	0	0	3,147
<u>Service Budget Pressures to Current Client Base</u>			
Children and Families	1,411	981	495
Mental Health, Learning Disability and Addictions	281	0	0
Community Health and Care	617	309	15
Other	288	203	194
<u>National Budget Pressures</u>			
Scottish Living Wage Uplift	4,296	5,121	2,683
NI Uplift on commissioned services	1,648	0	0
Demographic Pressures	711	825	875
Previously approved savings and efficiency options	(250)	1,083	0
Health Care			
<u>Pay Pressures</u>			
Pay Pressures - assumed at 0% per NHS Planning Assumptions	0	0	0
NI Uplift on direct staffing - Exclude at present pending SG discussions	0	0	0
Prescribing	4,144	2,293	2,500
Previously approved savings and efficiency options	178	485	0
Resource Transfer to Social Care	239	0	0
Non Pay Uplift - assumed at 1.2%	121	128	133
Total Budget Pressures	16,376	12,581	11,225
Anticipated Change in Resources	Budget Pressures 2025/26 £000	Budget Pressures 2026/27 £000	Budget Pressures 2027/28 £000
Reduction in WDC Funding	0	0	0
Children £12 P/Hr	377	413	175
Scottish Living Wage	4,422	4,836	2,062
Baselined MDT Funding	239	0	0
Total Anticipated Increase in Resources	5,038	5,249	2,237
Net Budget Pressures	Budget Pressures 2025/26 £000	Budget Pressures 2026/27 £000	Budget Pressures 2027/28 £000
Net Budget Pressures			
Health Care	4,442	2,906	2,633
Social Care	6,896	4,426	6,355
Total	11,338	7,332	8,988

West Dunbartonshire Health & Social Care Partnership

Medium Term Financial Outlook 2024/25 to 2027/28

Mid Range Scenario

Key Net Budget Pressures	Budget Pressures 2025/26 £000	Budget Pressures 2026/27 £000	Budget Pressures 2027/28 £000
Social Care			
<u>Pay Pressures</u>			
Pay Uplift - assumed at 3%	2,314	1,747	1,810
Job Evaluation	948	0	0
NI Uplift on direct staffing - Exclude at present pending SG discussions	0	0	0
Superannuation Increase	0	0	3,131
<u>Service Budget Pressures to Current Client Base</u>			
Children and Families	1,534	1,151	684
Mental Health, Learning Disability and Addictions	279	0	0
Community Health and Care	603	285	9
Other	289	204	194
<u>National Budget Pressures</u>			
Scottish Living Wage Uplift	4,768	5,294	2,859
NI Uplift on commissioned services	1,648	0	0
Demographic Pressures	1,628	1,924	2,066
Previously approved savings and efficiency options	(250)	1,083	0
Health Care			
<u>Pay Pressures</u>			
Pay Pressures - assumed at 0% per NHS Planning Assumptions	0	0	0
NI Uplift on direct staffing - Exclude at present pending SG discussions	0	0	0
Prescribing	4,378	2,571	2,829
Previously approved savings and efficiency options	178	485	0
Resource Transfer to Social Care	239	0	0
Non Pay Uplift - assumed at 2.2%	193	206	216
Total Budget Pressures	18,749	14,950	13,798
Anticipated Change in Resources	Budget Pressures 2025/26 £000	Budget Pressures 2026/27 £000	Budget Pressures 2027/28 £000
Children £12 P/Hr	381	420	201
Scottish Living Wage	4,460	4,923	2,359
Baselined MDT Funding	239	0	0
Total Anticipated Increase in Resources	5,080	5,343	2,560
Net Budget Pressures	Budget Pressures 2025/26 £000	Budget Pressures 2026/27 £000	Budget Pressures 2027/28 £000
Net Budget Pressures			
Health Care	4,749	3,263	3,044
Social Care	8,918	6,344	8,194
Total	13,667	9,607	11,238

West Dunbartonshire Health & Social Care Partnership

Medium Term Financial Outlook 2024/25 to 2027/28

Worst Case Scenario

Key Net Budget Pressures	Budget Pressures 2025/26 £000	Budget Pressures 2026/27 £000	Budget Pressures 2027/28 £000
Social Care			
<u>Pay Pressures</u>			
Pay Uplift - assumed at 4%	2,883	2,352	2,460
Job Evaluation	948	0	0
NI Uplift on direct staffing - Exclude at present pending SG discussions	0	0	0
Superannuation Increase	0	0	3,116
<u>Service Budget Pressures to Current Client Base</u>			
Children and Families	1,657	1,322	882
Mental Health, Learning Disability and Addictions	277	0	0
Community Health and Care	589	271	15
Other	289	203	194
<u>National Budget Pressures</u>			
Scottish Living Wage Uplift	5,243	5,936	3,597
NI Uplift on commissioned services	1,648	0	0
Demographic Pressures	2,385	2,874	3,152
Previously approved savings and efficiency options	(250)	1,083	0
Health Care			
<u>Pay Pressures</u>			
Pay Pressures - assumed at 0% per NHS Planning Assumptions	0	0	0
NI Uplift on direct staffing - Exclude at present pending SG discussions	0	0	0
Prescribing	4,611	2,854	3,168
Previously approved savings and efficiency options	178	485	0
Resource Transfer to Social Care	239	0	0
Non Pay Uplift - assumed at 3.2%	266	286	301
Total Budget Pressures	20,963	17,666	16,885
Anticipated Increase in Resources	Budget Pressures 2025/26 £000	Budget Pressures 2026/27 £000	Budget Pressures 2027/28 £000
Reduction in WDC Funding	(889)	(881)	(872)
Children £12 P/Hr	384	428	224
Scottish Living Wage	4,501	5,013	2,633
Baselined MDT Funding	239	0	0
Total Anticipated Increase in Resources	4,235	4,560	1,985
Net Budget Pressures	Budget Pressures 2025/26 £000	Budget Pressures 2026/27 £000	Budget Pressures 2027/28 £000
Net Budget Pressures			
Health Care	5,055	3,626	3,469
Social Care	11,673	9,480	11,431
Total	16,728	13,106	14,900

West Dunbartonshire Health & Social Care Partnership

Medium Term Financial Outlook 2024/25 to 2027/28

Appendix 2

West Dunbartonshire Health & Social Care Partnership Approved / Draft Budgets for the Period 2024/25 to 2027/28

Best Case Scenario

Approved / Draft Budget by Service Area	2024/25 Approved Budget	2024/25 Projected Outturn	2025/26 Draft Budget	2026/27 Draft Budget	2027/28 Draft Budget
	£000	£000	£000	£000	£000
Older People Residential, Health and Community Care	34,282	34,937	38,078	40,645	43,902
Care at Home	14,520	18,839	15,959	16,988	18,996
Physical Disability	2,947	2,990	3,396	3,863	4,153
Childrens Residential Care and Community Services	30,554	31,161	33,248	34,240	35,746
Strategy, Planning and Health Improvement	1,987	2,088	2,080	2,111	2,260
Mental Health Services - Adult and Elderly, Community and Inpatients	11,660	11,249	12,106	12,664	13,105
Addictions	4,052	3,878	3,700	3,855	3,993
Learning Disabilities - Residential and Community Services	14,853	14,677	17,659	20,018	21,791
Family Health Services (FHS)	32,718	32,719	32,758	32,758	32,758
GP Prescribing	22,247	24,286	25,681	27,977	30,479
Hosted Services	8,457	8,671	9,442	9,447	9,453
Criminal Justice (Including Transitions)	81	195	151	194	397
Resource Transfer	17,814	17,814	17,814	17,814	17,814
Contingency	517	(1,447)	(1,490)	2,937	0
HSCP Corporate and Other Services	8,375	10,004	7,134	7,333	6,091
Net Expenditure	205,064	212,061	217,716	232,844	240,938
Set aside for delegated services provided in large hospitals	40,596	40,596	40,596	40,596	40,596
Assisted garden maintenance and Aids and Adaptions	309	309	309	309	309
Total Net Expenditure	245,969	252,966	258,621	273,749	281,843
Anticipated Resources	2024/25 Approved Budget	2024/25 Projected Outturn	2025/26 Draft Budget	2026/27 Draft Budget	2027/28 Draft Budget
	£000	£000	£000	£000	£000
West Dunbartonshire Council	89,291	89,291	94,088	99,340	101,578
Assisted garden maintenance and Aids and Adaptions	309	309	309	309	309
NHSGCC	115,069	115,069	111,512	111,512	111,512
Set Aside	40,596	40,596	40,596	40,596	40,596
Superannuation Smoothing Reserve	(1,446)	(1,447)	(1,490)	2,937	0
Application of What Would It Take Strategy Reserves	0	0	459	190	190
Application of Previously Approved Earmarked Reserves	2,150	2,044	1,809	195	0
Total	245,969	245,862	247,283	255,079	254,185
Actual / Indicative Budget Gaps	2024/25 Approved Budget	2024/25 Projected Outturn	2025/26 Draft Budget	2026/27 Draft Budget	2027/28 Draft Budget
	£000	£000	£000	£000	£000
Annual Budget Gap					
Health Care	0	1,273	3,169	2,906	2,633
Social Care	0	5,831	1,065	4,426	6,355
Total	0	7,104	4,234	7,332	8,988
Cumulative Budget Gap					
Health Care	0	1,273	4,442	7,348	9,981
Social Care	0	5,831	6,896	11,322	17,677
Total	0	7,104	11,338	18,670	27,658

West Dunbartonshire Health & Social Care Partnership

Medium Term Financial Outlook 2024/25 to 2027/28

Mid Range Scenario

Approved / Draft Budget by Service Area	2024/25 Approved Budget	2024/25 Projected Outturn	2025/26 Draft Budget	2026/27 Draft Budget	2027/28 Draft Budget
	£000	£000	£000	£000	£000
Older People Residential, Health and Community Care	34,282	34,937	38,606	41,417	44,934
Care at Home	14,520	18,839	16,190	17,473	19,750
Physical Disability	2,947	2,990	3,469	3,999	4,359
Childrens Residential Care and Community Services	30,554	31,161	33,983	35,851	38,301
Strategy, Planning and Health Improvement	1,987	2,088	2,094	2,140	2,304
Mental Health Services - Adult and Elderly, Community and Inpatients	11,660	11,249	12,197	12,823	13,321
Addictions	4,052	3,878	3,723	3,897	4,056
Learning Disabilities - Residential and Community Services	14,853	14,677	18,042	20,885	23,195
Family Health Services (FHS)	32,718	32,719	32,758	32,758	32,758
GP Prescribing	22,247	24,286	25,917	28,493	31,326
Hosted Services	8,457	8,671	9,444	9,452	9,460
Criminal Justice (Including Transitions)	81	195	180	253	487
Resource Transfer	17,814	17,814	17,814	17,814	17,814
Contingency	517	(1,447)	(1,490)	2,937	0
HSCP Corporate and Other Services	8,375	10,004	7,162	7,394	6,186
Net Expenditure	205,064	212,061	220,089	237,586	248,251
Set aside for delegated services provided in large hospitals	40,596	40,596	40,596	40,596	40,596
Assisted garden maintenance and Aids and Adaptions	309	309	309	309	309
Total Net Expenditure	245,969	252,966	260,994	278,491	289,156
Anticipated Resources	2024/25 Approved Budget	2024/25 Projected Outturn	2025/26 Draft Budget	2026/27 Draft Budget	2027/28 Draft Budget
	£000	£000	£000	£000	£000
West Dunbartonshire Council	89,291	89,291	94,132	99,479	102,037
Assisted garden maintenance and Aids and Adaptions	309	309	309	309	309
NHSGCC	115,069	115,069	111,512	111,512	111,512
Set Aside	40,596	40,596	40,596	40,596	40,596
Superannuation Smoothing Reserve	(1,446)	(1,447)	(1,490)	2,937	0
Application of What Would It Take Strategy Reserves	0	0	459	190	190
Application of Previously Approved Earmarked Reserves	2,150	2,044	1,809	195	0
Total	245,969	245,862	247,327	255,218	254,644
Actual / Indicative Budget Gaps	2024/25 Approved Budget	2024/25 Projected Outturn	2025/26 Draft Budget	2026/27 Draft Budget	2027/28 Draft Budget
	£000	£000	£000	£000	£000
Annual Budget Gap					
Health Care	0	1,273	3,476	3,263	3,044
Social Care	0	5,831	3,087	6,344	8,194
Total	0	7,104	6,563	9,607	11,238
Cumulative Budget Gap					
Health Care	0	1,273	4,749	8,012	11,056
Social Care	0	5,831	8,918	15,262	23,456
Total	0	7,104	13,667	23,274	34,512

West Dunbartonshire Health & Social Care Partnership

Medium Term Financial Outlook 2024/25 to 2027/28

Worst Case Scenario

Approved / Draft Budget by Service Area	2024/25 Approved Budget	2024/25 Projected Outturn	2025/26 Draft Budget	2026/27 Draft Budget	2027/28 Draft Budget
	£000	£000	£000	£000	£000
Older People Residential, Health and Community Care	34,282	34,937	39,133	42,583	46,843
Care at Home	14,520	18,839	16,422	17,965	20,523
Physical Disability	2,947	2,990	3,542	4,166	4,635
Childrens Residential Care and Community Services	30,554	31,161	34,558	37,137	40,392
Strategy, Planning and Health Improvement	1,987	2,088	2,108	2,169	2,348
Mental Health Services - Adult and Elderly, Community and Inpatients	11,660	11,249	12,288	13,030	13,647
Addictions	4,052	3,878	3,747	3,949	4,140
Learning Disabilities - Residential and Community Services	14,853	14,677	18,427	21,768	24,649
Family Health Services (FHS)	32,718	32,719	32,758	32,758	32,758
GP Prescribing	22,247	24,286	26,153	29,014	32,189
Hosted Services	8,457	8,671	9,446	9,457	9,468
Criminal Justice (Including Transitions)	81	195	209	313	579
Resource Transfer	17,814	17,814	17,814	17,814	17,814
Contingency	517	(1,447)	(1,490)	2,937	0
HSCP Corporate and Other Services	8,375	10,004	7,190	7,455	6,283
Net Expenditure	205,064	212,061	222,305	242,515	256,268
Set aside for delegated services provided in large hospitals	40,596	40,596	40,596	40,596	40,596
Assisted garden maintenance and Aids and Adaptions	309	309	309	309	309
Total Net Expenditure	245,969	252,966	263,210	283,420	297,173
Anticipated Resources	2024/25 Approved Budget	2024/25 Projected Outturn	2025/26 Draft Budget	2026/27 Draft Budget	2027/28 Draft Budget
	£000	£000	£000	£000	£000
West Dunbartonshire Council	89,291	89,291	93,286	97,848	99,832
Assisted garden maintenance and Aids and Adaptions	309	309	309	309	309
NHSGCC	115,069	115,069	111,512	111,512	111,512
Set Aside	40,596	40,596	40,596	40,596	40,596
Superannuation Smoothing Reserve	(1,446)	(1,447)	(1,489)	2,936	0
Application of What Would It Take Strategy Reserves	0	0	459	190	190
Application of Previously Approved Earmarked Reserves	2,150	2,044	1,809	195	0
Total	245,969	245,862	246,482	253,586	252,439
Actual / Indicative Budget Gaps	2024/25 Approved Budget	2024/25 Projected Outturn	2025/26 Draft Budget	2026/27 Draft Budget	2027/28 Draft Budget
	£000	£000	£000	£000	£000
Annual Budget Gap					
Health Care	0	1,273	3,782	3,626	3,469
Social Care	0	5,831	5,842	9,480	11,431
Total	0	7,104	9,624	13,106	14,900
Cumulative Budget Gap					
Health Care	0	1,273	5,055	8,681	12,150
Social Care	0	5,831	11,673	21,153	32,584
Total	0	7,104	16,728	29,834	44,734