



AGENDA ITEM NO 7

REPORT NO IJB 80/24

ANGUS INTEGRATION JOINT BOARD

18 DECEMBER 2024

FINANCE REPORT – 2024/25

REPORT BY ALEXANDER BERRY, CHIEF FINANCE OFFICER

1 ABSTRACT

The purpose of this report is to provide Angus Integration Joint Board (AIJB) with an update on the financial position of AIJB, including financial projections for 2024/25, an update on planned interventions, reserves and financial risk.

2 ALIGNMENT TO THE STRATEGIC PLAN

This report contributes to the following strategic enablers in the AIJB Strategic Commissioning Plan: -

- Deliver financial sustainability; and
- Seeking to achieve best value and cost effectiveness.

3 RECOMMENDATIONS

It is recommended that the Integration Joint Board: -

- (i) note the overall projected financial position of Angus IJB;
- (ii) to devolve authority to the IJB Chief Officer and Chief Finance Officer, in conjunction with the IJB's Chair and Vice Chair and voting members, to develop and action high-level proposals to deploy the 2024/25 forecast in-year underspend as described in section 7 of this report; and
- (iii) note the update regarding the deployment of reserves as set out in Appendix 2 (see Financial Planning Reserve 2024/25).

4 BACKGROUND

This report describes the financial monitoring and projections for AIJB for the financial year 2024/25, based on information to the end of October 2024, including NHS Directed Services and Angus Council Directed Services.

Information contained within this report reflects estimates for the whole of 2024/25 and consequently, given the stage in the financial year, further reviews of projections will be undertaken which will lead to future adjustments in information.

The AIJB's detailed projected financial position for 2024/25 is set out in Appendix 1. This shows that the overall projected financial position for the year to March 2025 is an under spend of c£3.702m.

5 CURRENT POSITION

NHS DIRECTED SERVICES

Local Hospital and Community Health Services - These services are projecting a year end position close to breakeven. However, some key factors to note are: -

- Psychiatry of Old Age service continues to incur the costs associated with Angus patients being cared for in non-Angus hospitals due to the non-operational ward (Prosen) in Angus. There is a level of financial uncertainty around these costs, and this could impact on the financial reporting. In addition, the service continues to treat more acute and complex cases in Angus hospitals with supplementary staffing being used to increase staffing levels to ensure the workforce is safe. These pressures are resulting in a projected overspend of c£0.208m.
- As previously reported, Medicine for the Elderly service continue to report an overspend due to the service using additional stroke inpatient beds in Royal Victoria Hospital linked to increase in patient activity and this will impact on the financial reporting. This is being monitored by service management.
- As previously noted, Community Nursing wound management product costs have risen, along with clinical supplies. The service continues to review this position with the projected overspend reducing slightly from the previous reported position.
- Angus 2C GMS Practices continue to reduce projected costs linked to the successful implementation of service financial recovery plans with the impact of this reducing projected overspends to £0.550m, and this remains significantly lower than the assumption in the Strategic Financial Plan.
- The above pressures are offset by a range of service under spends mainly relating to unfilled vacancies linked to recruitment challenges.

Lead Partner Services in Angus - These services are projecting a year end overspend of c£0.379m for the Angus share of these costs noting there is some offsetting funding locally to support these costs. Key points to note: -

- Forensic Services continued to have operational workforce issues with supplementary staffing being used to cover these service gaps to ensure the workforce is safe. However, the use of supplementary staffing will reduce due to the appointment of a new member of staff.
- As previously reported, the Out of Hours (OOH) Service has seen changes in demand, during and since Covid-19, resulting in increased costs. Earlier in 2024, the service had developed a financial recovery plan that estimated a regional cost base of c£1.251m in 2024/25 above agreed funding. However, the service continues to report a higher projected overspend of c£1.9m partly due to operational workforce issues. That includes deploying additional staffing to ensure workforce levels are commensurate with activity levels, ongoing high levels of absence and partly due to challenges delivering some of the planned recovery actions. The service is starting to develop improved dialogue with neighbouring IJBs to share a better understanding of the position and to develop proposals for the future Model of Care. While it was originally anticipated that the Model of Care may be available by December 2024, it is now more likely to be available for consultation by Spring 2025, for approval and implementation thereafter. As noted in Appendix 2, the IJB has provided additional funds to support in year pressures within Lead Partner Services, including Out of Hours services.
- Tayside Continence Service continues to forecast an overspend driven by a combination of contractual price increase and patient growth.

Lead Partner Services in Dundee/Perth and Kinross - As the AIJB will be aware several devolved services are managed by other IJBs on behalf of AIJB. The projected year end position for these services continue to report an under spend of £0.159m, as detailed in Table 1 below. The main points to note are: -

- Increased pressures continue against Palliative Care, Brain Injury, Psychological Therapies, Dietetics and Prison Health Services.

- The above pressures are offset by a range of service under spends mainly relating to unfilled vacancies linked to recruitment challenges.

Table 1 - Lead Partner Services in Dundee, Perth and Kinross IJBs on Behalf of Angus IJB	Annual Budget (£k)	Projected (Over) / Under (£k)
Angus Share of Lead Partner Services in Dundee		
Palliative Care	8,120	(363)
Brain Injury	2,123	(75)
Sexual & Reproductive Health	2,671	75
Psychological Therapies	8,611	(265)
Dietetics (Tayside)	4,522	(75)
Other Services in Dundee	641	122
Grand Total	26,688	(581)
Angus Share (27.1%)	7,233	(157)
Angus Share of Lead Partner Services in Perth and Kinross		
Podiatry (Tayside)	3,844	347
Prison Health Services	5,249	(4)
Public Dental Service	2,855	597
Other Services in Perth and Kinross	261	229
Grand Total	12,210	1,169
Angus Share (27.1%)	3,309	317
Total Angus Share of Lead Partner Services	10,541	159

Family Health Services (FHS) Prescribing - The April 2024 Strategic Financial Plan suggested overspends of up to c£2.9m. The current projection continues to forecast an overspend of c£2.8m, lower than budget expectations due to the progression of prescribing saving initiatives beyond those captured in the financial plan. However, there is still significant uncertainty in prescribing projections as there is always a two-month data delay and prescribing volumes and prices continue to fluctuate.

Work continues to develop plans to demonstrate how prescribing costs can be more closely aligned to available resources and it is expected that prescribing costs will reduce in future months.

As previously reported, and related to outstanding IJB Action Points, from an Angus perspective issues regarding governance arrangements and affordability of drug treatments continue to remain unresolved.

General Medical Services (GMS) and Family Health Services - As noted in previous reports, all three Tayside IJBs have agreed a new financial management and risk sharing approach for Primary Care.

Longer term risks remain regarding the challenges re General Practitioner recruitment and GP sustainability, the introduction of the new GMS contract (IJB report 36/23), the underlying growth in Premises costs including implications from the Angus General Practice Premise Strategy (IJB report 35/23) and the delivery of General Dental Services.

In Patient Mental Health Services - As AIJB is aware Inpatient Mental Health Services are operationally managed by NHS Tayside. However, resources do remain formally devolved to AIJB for Strategic Planning.

As noted previously, in 2023/24 the regional In-Patient Mental Health Service was overspent by £5.523m with this overspend being supported by HSCPs. While NHS Tayside and IJBs are developing financial recovery plans to address this pressure, at this stage forecast overspends for 2024/25 are likely to be c£5.6m.

In relation to that overspend, and as previously reported, the issue of unresolved financial risk sharing for In Patient Mental Health continues to present a financial risk to the AIJB.

Through the AIJB's Chief Officer and Chief Financial Officer, and with input from Angus Council's Chief Executive, AIJB will continue to participate in constructive senior-level discussions with NHS Tayside and other IJBs aimed at resolving these issues. A further update will be provided at a future AIJB meeting.

Large Hospital Services - As at April 2024 this budget has been re-set at £11.151m based on 2023/24 activity and pricing levels.

Angus IJB has previously been in discussion with NHS Tayside regarding developing a process to manage changes in volume of these services (largely delivered in Ninewells). Over the last year, those discussions have not progressed. While there are key operational issues across the wider Health and Social Care systems this Winter, in due course the IJB will need to return to these discussions with NHS Tayside and consider again the processes associated with large Hospital Services.

Table 2 below sets out the provisional activity positions for the key Occupied Bed Days indicator for Large Hospitals activity, with the latest projections suggesting an increase in activity, particularly compared with Pre Covid-19 (17%), and with consequent resource implications this could impact on the Strategic Financial Plan.

Table 2	2019/20	2022/23	2023/24	2024/25 (Projected)	2024/25 (Change from prior year)	2024/25 (%age Change)
Occupied Bed Days	16,871	18,330	19,408	19,799	391	2%

Note 1. Information in Table 2 above is from local management information.

ANGUS COUNCIL DIRECTED SERVICES

Angus Council Directed Services (Adult Services) - These services are projecting a year end underspend of c£0.349m. Key factors to note are: -

- Community Mental Health Services (Under 65s) are projecting an overspend of c£0.230m, due to an increase in service users. The service is reviewing this position.
- Learning Disabilities Service continue to forecast an overspend of c£1.358m, linked to a rise in the number of complex high-cost packages for both residential and community placements.
- Similarly, Physical Disability Service continue to project an overspend of c£1.220m linked to increases in both service users and high-cost packages. Overspends on Learning and Physical Disability Services will be addressed as part of the development of Learning and Physical Disability Service Financial Recovery Plans which will be developed alongside service Improvement Plans. Those Improvement Plans will be reliant on capital investment which will be overseen through Angus Council capital planning arrangements.
- Occupational Therapy service is forecasting an overspend of c£0.155m due to both an increase in demand and price of adaptations. Work is ongoing with Angus Council colleagues to review the financial framework.
- Homelessness Service is projecting an overspend of c£0.089m due to increase costs associated with emergency accommodation. Work is continuing with Angus Council Housing Department colleagues regarding the situation.

The above pressures are offset by a range of service under spends as follows:

- Older People Services have commissioned a steady, but lower than budgeted, level of care home beds resulting in a projected yearend under spend of c£1.3m.
- Demand for Care at Home Services across all services continues to exceed the available capacity within the Partnership, and if the capacity was there, it might be reasonable to assume additional annualised costs of c£0.950m if unmet need was fully delivered.
- As previously reported, there is an increase in service income of c£0.832m compared to budgetary expectations linked to an error during the collation of the 2024/25

Strategic Financial Plan. Discussions are ongoing with Angus Council colleagues to change the process so that the service income is assigned directly to Adult Services budget.

- Several service areas have unfilled vacancies linked to staff turnover and recruitment which has had a consequent impact on service delivery.
- Delivery of managerial interventions that were not included in the Strategic Financial Plan, described in report 52/24.

CENTRALLY MANAGED BUDGET

Centrally Managed Budget – The Centrally Managed Budget continues to reflect previous progress with savings (as per the IJB's Strategic Financial Plan).

It is important to recall that AIJB's Strategic Financial Plan did anticipate recurring overspends regarding Adult Services, Lead Partner, Prescribing and GMS with offsetting underspends elsewhere in AIJB. This structural imbalance requires to be addressed within the AIJB's overall financial framework on a permanent basis and this will be progressed moving forward once other unresolved budgetary framework issues are resolved regarding Older Peoples Services.

OUTLOOK POSITION

Progress with Strategic Financial Plan (Planned Interventions) – On a regular basis, information is provided to the IJB regarding progress with the delivery of the three-year planned interventions. As previously noted, this also includes the Financial Recovery Plans and Managerial Interventions described in the August 2024 IJB report (52/24). Table 3 below captures this position with c£1.39m being projected as being delivered in 2024/25. In year, non-recurring savings will offset the shortfall below.

Any recurring shortfalls associated with these planned interventions will impact on the Strategic Financial Plan and, ultimately the Strategic Commissioning Plan.

Table 3 - Planned Interventions	FY 2024/25			FY 2025/26		FY 2026/27		Risk Assessment	Status
	Plan	Projection	Shortfall	Target	Shortfall	Target	Shortfall		
	£m	£m	£m	£m	£m	£m	£m		
Managerial (Service Lead) Savings	0.180	0.124	0.056	0.190	0.190	0.190	0.190		Executive Management Team monitoring progress on a bi-monthly basis.
Financial Recovery Plans (FRP)	0.022	0.007	0.015	0.016	0.016	0.000	0.000		Executive Management Team monitoring Financial Recovery Plan
Prescribing	0.230	0.230	0.000	0.225	0.225	0.000	0.000		Savings progressing aligned to plan.
New FRP - Community Mental Health	0.344	0.344	0.000	0.000	0.000	0.000	0.000		Per IJB Report (52/24) Appendix 5. It should be noted that since this report, further pressures have emerged linked to an increase in service users.
New FRP - General Practice - 2C Plans	0.474	0.474	0.000	0.000	0.000	0.000	0.000		Per JB Report (52/24) Appendix 5
Managerial Interventions - Charges for Internally managed Care Homes / Intermediate Care	0.211	0.211	0.000	0.065	0.000	0.000	0.000		Per IJB Report (52/24) Appendix 5
Total	1.461	1.390	0.071	0.496	0.431	0.190	0.190		
Projected % of Planned Interventions Achieved		95%							

AIJB Strategic Financial Plan – A report on the draft three-year Strategic Financial Plan is provided separately to the December 2024 IJB. The planned interventions position will now be reflected in the IJB's roll over budgets for 2023/24 with the partially delivered planned interventions also rolling forward into future years.

Financial Planning Update – This section of the report provides an update on the Scottish Government ear-marked non-recurring baseline budget. There are several funds allocated for a specific purpose with a set criteria determining the utilisation of these resources to support national directives or strategic direction e.g. Primary Care Improvement Fund, Alcohol and Drug Partnership and Action 15 of Mental Health Strategy.

While these allocations are issued each year, there is usually a general understanding about the longevity (or end date) of funding in advance to allow time to plan accordingly. For a number of years, the funding allocations would often remain static, meaning any pay uplift or inflation pressures would need to be managed within the flat-cash funding. In more recent years, where annual pay uplift and inflation rates have been more significant, Scottish Government have recognised the increased cost base, and allocations had been increased accordingly.

Recently, two specific allocation letters have been received for 2024/25 funding, both of which are advising of a cut in funding compared to 2023/24 funding: -

- Multi-Disciplinary Team funding was first announced in 2021/22 “to support and strengthen multi-disciplinary working, to support timely discharge from hospital and prevent avoidable admissions to hospital, ensuring people can be cared for at home or as close to home as possible”. Nationally the allocation was set at £40m in 22/23 and increased to £45.7m in 23/24 to reflect pay award cost pressures. The 24/25 letter has advised the total funding is to be reduced back to £40m. This represents a c.14% cut in cash-terms, or £0.147m for AIJB.
- Enhanced Mental Health (MH) Outcome Framework funding reflects a number of previous funding streams that have been bundled together to allow some flexibility and collaboration across Tayside Mental Health services. The range of priorities encompassed in the letter are across NHS Acute services and the three Tayside IJB's, including Child and Adolescent Mental Health Services, Psychological Therapies, Learning Disability Annual Health checks, Perinatal MH and MH Action 15. Due to national funding reduction of 5.48%, and a revision of distribution formula, the impact for Tayside is a cut of 10.19% (or £1,118k) with AIJB share being c.£0.106m.

Further communication with Scottish Government representatives has taken place during recent months to highlight the service and operational impact these cuts will have on services in Angus and across Tayside and services are currently assessing the best way to prioritise resources. The financial impact of these unanticipated funding reductions is included in the reported financial position

AIJB Reserves – Appendix 2 provides an update on the reserves position.

6 PROPOSALS

The main proposal in this report is set out in section 7.

7 FINANCIAL IMPLICATIONS

The IJB is reporting an overall under spend of c£3.702m (see Appendix 1), which remains comparable to the previous reported position in October (c£3.476m).

This contrasts with the forecast overspends set out in AIJB's Strategic Financial Plan for 2024/25 which suggested a projected overspend of £1.965m after adjusting for an expected level of in-year non-recurring (short-term) underspends of £2.100m. The main differences to the plan are: -

- Unfilled vacancies have continued to run at higher levels than originally anticipated 45wte totalling c£0.9m benefit, with our original assumptions proving conservative.

Noting the previously high levels of uncertainty regarding predicting inflationary levels, it is now recognised our inflation levels are lower than financial planning assumptions resulting in a c£1.1m benefit and, this will have a positive benefit to our future financial planning.

- Progression of further managerial interventions that were not known at the time of writing the April 2024 Strategic Financial Plan, which have reduced recurring costs by c£1.5m.
- Within Older People Services there continues to be a lower uptake of care home beds than expected. In addition, the demand for Care at Home continues to exceed the available capacity in the Partnership, with these factors resulting in a benefit of c£1.3m.
- Increased service income of c£0.8m compared to budgetary expectations linked to an error during the collation of the 2024/25 Strategic Financial Plan.

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

As AIJB is projecting a year end under spend, there will be no consequential financial impact to AIJB's partners (Angus Council and NHS Tayside) for this financial year.

Noting the projected year-end financial position, by default, a year-end underspend in the IJB's Annual Accounts at March 2025, will result in an increase in the IJB's year-end reserves. However, the IJB also needs to consider its financial position in the context of that of its Partners and overall-system wide pressures. Specifically, in November 2024, NHS Tayside approached Angus IJB to request that the IJB consider if, on a non-recurring basis, Angus IJB could consider an option to return some funds to NHS Tayside in this financial year. This would assist NHS Tayside manage its overall financial and service delivery position including managing increased levels of demand and acuity and inflationary pressures, while seeking to maintain operational performance levels. Separately, the IJB is aware that Angus Council is also currently experiencing financial challenges

Reflecting the immediacy of these issues it now proposed that the IJB devolve authority to the IJB Chief Officer and Chief Finance Officer, in conjunction with the IJB's Chair and Vice Chair and voting members, to develop and action high-level proposals to deploy the 2024/25 forecast in-year underspend. This will be with a general expectation that any deployment will acknowledge and reflect the whole system pressures that exist with the IJB's partners (Angus Council and NHS Tayside), thereby supporting the request from NHS Tayside, and also allow the IJB to fund any agreed additional costs that may be incurred over the remaining part of 2024/25 responding to service pressures, including Winter pressures.

This proposal to deploy projected in-year underspends during 2024/25 reflects that the IJB does retain a strong level of reserves, does have a responsibility to work with its Partners and is required to manage funding on a sustainable basis. Having the flexibility to fund any in-year responses to service pressures is also important, but realistically (due to timescales and recruitment challenges) this may be a small part of any overall deployment of these projected in-year underspends. Should proposals such as the above be supported, then ultimately this would result in the IJB reporting a near-breakeven position in 2024/25.

8 RISK MANAGEMENT

Risk – AIJB formally monitors its corporate risks through the Angus Clinical, Care and Professional Governance Group. The three-year AIJB Strategic Financial Plan report provided separately to the December 2024 IJB provides a summary of financial risk. Many of the finance risks are IJB wide risks including funding levels and risks regarding financial planning.

Risk Description	Failure to develop and implement a balanced financial plan will lead to a risk of unsustainable services.
Risk Category	Strategic
Inherent Risk Level	Likelihood 5 x Impact 5 = Risk Scoring 25 (very high-risk level). No change.
Mitigating Actions	Funding - Ongoing dialogue with NHS Tayside, Angus Council and, via national forums, the Scottish Government.

	Resolve outstanding budget issues – Ongoing dialogue with NHS Tayside. Progress with Strategic Commissioning, Delivery and Financial Recovery Plans alongside Service Review - Monitor via Executive Management team meetings and reports to IJB regularly. Managing services within agreed budgets - Financial recovery plans may be requested from over-committed services.
Residual Risk Level	Likelihood 5 x Impact 4 = Risk Scoring 20 (very high-risk level). No change.
Planned Risk Level	Likelihood 4 x Impact 4 = Risk Scoring 16 (high-risk level). No change.
Approval Recommendation	Even with the progression of all agreed actions, this risk remains very high. Scheduled reporting and monitoring will continue alongside the further development of risk mitigation actions.

9. PUBLIC HEALTH IMPLICATIONS

There are no direct public health implications arising from the recommendations of this report.

10. CLIMATE SUSTAINABILITY IMPLICATIONS

There are no direct environmental implications arising from the recommendations of this report.

11. EQUALITY IMPACT ASSESSMENT, CHILDREN'S RIGHTS AND FAIRER SCOTLAND DUTY

Due to the content of this report, an Equalities Impact Assessment is not required.

12. COMMUNICATION AND ENGAGEMENT

Not Applicable.

13. DIRECTIONS

The Integration Joint Board requires a mechanism to action its strategic commissioning plans, and this is provided for in Section 26 to 28 of the Public Bodies (Joint Working) (Scotland) Act 2014. This mechanism takes the form of binding directions from the Integration Joint Board to one or both of Angus Council and NHS Tayside.

Direction Required to Angus Council, NHS Tayside or Both:	
No Direction Required	X
Angus Council	
NHS Tayside	
Angus Council and NHS Tayside	

REPORT AUTHOR: Alexander Berry, Chief Finance Officer

EMAIL DETAILS: tay.angushscp@nhs.scot

List of Appendices:

Appendix 1: IJB Financial Monitoring Report 2024/25

Appendix 2: IJB Reserves 2024/25

	Adult Services		Angus NHS Directed Services		HSCP	
	Annual Budget	Yearend Variance (Over) / Under	Annual Budget	Yearend Variance (Over) / Under	Annual Budget	Yearend Variance (Over) / Under
	£k	£k	£k	£k	£k	£k
Local Hospital and Community Health Services						
Older Peoples Services						
Psychiatry Of Old Age			6,217	(208)	6,217	(208)
Medicine For The Elderly			7,349	(117)	7,349	(117)
Minor Injuries + Illness Units			2,170	431	2,170	431
Community Nursing			8,924	(71)	8,924	(71)
Management & Admin	1,487	(73)			1,487	(73)
Care at Home	6,036	121			6,036	121
Intermediate Care	84	0			84	0
Community Support	1,224	20			1,224	20
Supported Accommodation	350	32			350	32
Internal Residential	4,420	31			4,420	31
Care and Assessment	32,847	2,465			32,847	2,465
Community Mental Health	2,262	522			2,262	522
Older Peoples Service	48,710	3,119	24,660	35	73,370	3,154
General Adult Psychiatry	4,953	(230)	4,158	2	9,111	(228)
Admin Community Support	3,523	38			3,523	38
Non Residential Care	9,843	29			9,843	29
Residential Care	7,725	(1,425)			7,725	(1,425)
Learning Disability(Angus)			706	81	706	81
Learning Disability	21,092	(1,358)	706	81	21,797	(1,277)
Physical Disabilities	6,487	(1,220)	0	0	6,487	(1,220)
Substance Use	2,024	0	1,819	0	3,843	0
Community Services						
Physiotherapy			3,018	(51)	3,018	(51)
Occupational Therapy	1,662	(155)	834	56	2,496	(99)
Joint Store	991	40			991	40
Anti-Coagulation			225	0	225	0
Primary Care			1,270	36	1,270	36
Angus 2c (gms) Services			645	(550)	645	(550)
Carers	831	0			831	0
Homelessness	1,492	(89)			1,492	(89)
Other Community Services			1,451	30	1,451	30
Community Services	4,977	(204)	7,444	(480)	12,421	(684)
Planning / Management Support						
Ijb Management	288	2	2,073	309	2,361	311
Improvement And Development	1,852	240	656	71	2,508	311
Planning / Management Support	2,140	242	2,729	380	4,869	621
Local Hospital and Community Health Services			41,516	18		
Lead Partner Services - Angus						
Forensic Service			1,226	(107)	1,226	(107)
Out of Hours			9,470	(1,874)	9,470	(1,874)
Speech Therapy (Tayside)			1,601	(10)	1,601	(10)
Locality Pharmacy			2,873	0	2,873	0
Tayside Continence Service			1,555	(299)	1,555	(299)
Lead Partner Services Centrally Managed Budget			(277)	890	(277)	890
Lead Partner Services Recharges to Other IJBs			(11,992)	1,021	(11,992)	1,021
Lead Partner Services in Angus	0	0	4,458	(379)	4,458	(379)
Lead Partner Services - Dundee/Perth	0	0	10,541	159	10,541	159
GP Prescribing			23,228	(2,687)	23,228	(2,687)
Other FHS Prescribing			(450)	(124)	(450)	(124)
General Medical Services			21,190	(182)	21,190	(182)
Family Health Services			16,336	56	16,336	56
Large Hospital Set Aside			11,151	0	11,151	0
Total	90,382	349	127,971	(3,139)	218,353	(2,790)
Centrally Managed	3,951	3,127	(295)	3,365	3,656	6,491
Grand Total	94,333	3,476	127,676	226	222,009	3,702

The IJB's Reserves Policy sets out that the IJB may hold both "ear-marked" reserves and general reserves. Ear-marked reserves will generally be for specific projects or issues, ear-marked due to specific constraints or ear-marked due to funding factors. General reserves are intended to assist the IJB manage its overall resources over the longer term.

Contingency Reserves – The IJB holds a contingency reserve of £6.900m (3% of turnover). At any time, the IJB may require to commit this reserve to address developing situations and should the IJB overspend in a financial year then the IJB's contingency reserves would be required to offset any in year overspend. This would only provide short term relief to ongoing financial pressures.

Ear-marked Reserves – The IJB's ear-marked reserves are listed in table 4 below. Evolving financial plans exist for each reserve but, where these are not fully developed, the IJB will require to develop plans to ensure this funding is mobilised effectively in a way that meets any relevant Scottish Government criteria, is sustainable and delivers good value for money.

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

Strategic Plan Reserve – Opening value at 1st April 2024 £2.790m, increased by £0.300m in October 2024 (as detailed below). This resource is managed over the duration of the Strategic Commissioning Plan to March 2026 and is overseen by the Strategic Planning Group (SPG).

Financial Planning Reserve 2024/25 – Opening Value at 1st April 2024 £4.385m. As described in report 62/24 it was proposed to develop and action proposals to fully deploy this resource to support a combination of whole system and wider system pressures. Following the agreement of those with devolved authority to consider this issue, this has now been progressed with the outcome as follows: -

- 1) Augmenting capital funding to support Complex Care (mainly Disabilities) £0.8m.
- 2) Supporting in year pressures within Lead Partner Services, including Out of Hours services, to maintain pathways and alleviate additional burdens on shared hospital facilities over winter £1.4m.
- 3) Supporting a further contribution to the IJB's Strategic Planning Reserve to allow further development of the strategic priority around Prevention and Proactive Care £0.2m and procurement support £0.1m; and
- 4) To support whole system pressures within Angus Council (£0.725m) and NHS Tayside (£1.16m).

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

Primary Care Investment Reserve – £0.700m. This reserve has been created as per previous report 66/22 which noted the reserve was created to "support future primary care investment funds" with this resource overseen by Angus Primary Care Oversight Group.

Mental Health Recovery Financial Reserve – £1.959m. This reserve was created in 2022/23 as per report 27/23 and reflecting the ongoing financial challenges experienced by these services and the need to progress service improvements.

Workforce Reserve – £0.900m. This reserve was created in 2023/24 as per report 3/24 to support the continued implementation of the three-year workforce plan and to help manage any future in-year service pressures associated with workforce issues. This resource is overseen by the Angus Workforce Steering Group.

Table 4 below shows the IJB's reserves position at the start of this financial year and changes and projections to year end.

Table 4 Angus IJB Reserves	Reserves Opening Balance April 2024	Change in Year	Closing Balance March 2025	Additional Comment (including commentary regarding deployment of funds)
	£k	£k	£k	
General Fund Balance (Usable Reserve) - General Reserve	6,900	0	6,900	Per Report 3/24
General Fund Balance (Ear-Marked Reserves)(Local)				
Strategic Plan Reserve	2,790	8	2,798	Per Report 66/22
Financial Planning Reserve 2024/25	4,385	4,385	0	Complete
Property Reserve	3,300	0	3,300	Per Report 26/22
Local primary Care Investment Reserve	700	(114)	586	Plans being developed.
Mental Health Recovery Financial Reserve	1,959	0	1,959	Per Report 27/23
Workforce Reserve	900	(197)	703	Per Report 3/24
	14,034	(4,688)	9,346	
General Fund Balance (Ear-Marked Reserves) (Scottish Government Funding)				
Primary Care Improvement Fund	65	(65)	0	Plans developed.
Primary Care Transformation Fund	173	(9)	164	Plans being developed.
Primary Care Premises	245	(30)	215	
Alcohol & Drug Partnership Fund	84	(84)	0	Plans developed.
Drug Death Task Force	20	(20)	0	Plans developed.
Community Living Change	228	(100)	128	Plans being developed.
Mental Health Facilities Project	222	(200)	22	Plans developed.
General Dental Services	109	0	109	Plans being developed.
Learning Disability Health Checks	85	(85)	0	Plans developed.
Realistic Medicine - GMS	15	(15)	0	Plans developed.
Long COVID Support Fund	52	0	52	Plans being developed.
	1,298	(608)	690	
Total General Fund Balance (Ear-Marked Reserves)	15,332	(5,296)	10,036	
Total General Fund Balance	22,232	(5,296)	16,936	