

NHS Highland



Meeting: NHS Highland Board Meeting
Meeting date: 29th March 2022
Title: 2022/23 Budget Offer to Argyll & Bute IJB
Responsible Executive/Non-Executive: David Garden, Director of Finance
Report Author: David Garden, Director of Finance

1 Purpose

This is presented to the Board for:

- Discussion

This report relates to a:

- NHS Board/Integration Joint Board Strategy or Direction

This aligns to the following NHS Scotland quality ambition:

- Effective

This report relates to the following Corporate Objective(s)

Clinical and Care Excellence <ul style="list-style-type: none"> • Improving health • Keeping you safe • Innovating our care 		Partners in Care <ul style="list-style-type: none"> • Working in partnership • Listening and responding • Communicating well 	√
A Great Place to Work <ul style="list-style-type: none"> • Growing talent • Leading by example • Being inclusive • Learning from experience • Improving wellbeing 		Safe and Sustainable <ul style="list-style-type: none"> • Protecting our environment • In control • Well run 	√ √
Other (please explain below)			

2 Report summary

2.1 Situation

This report sets out the initial budget off for Argyll & Bute IJB for 2022/23.

2.2 Background

The Board is required to make an opening budget offer to the IJB in advance of the new financial year. The Director of Finance has been in dialogue with the IJB's Chief Officer and Chief Finance Officer (CFO) and an offer in principle has been made, subject to Board approval.

2.3 Assessment

The funding for Argyll & Bute IJB is normally be provided on the basis of an equivalent NRAC share of the overall resource provided to NHS Highland. This was not the case in 2021/22 where the IJB agreed to a lower uplift which aided the Board in setting an initial balanced budget.

The paper approved by the Board for 2021/22 indicated that the funding offer for 2022/23 would return to a full NRAC share as is recommended in this paper.

Initial Offer

NRAC calculations are published by Scottish Government on a 3 year basis and Argyll & Bute's share of the NHS Highland total is 28.77%, this is a slight reduction from 28.92% in 21/22.

On that basis, NHS Highland's offer to the IJB is £246.8m, a 3.6% uplift on the adjusted baseline 21/22 allocation.

Also included within this amount is an estimate of additional in-year allocations. This amount is indicative and will be adjusted throughout the year as resources are allocated to the Board. The basis of the calculation is set out in the table below.

2022/23 Baseline Allocation Split			
	A&B	North	Total
NRAC Shares 2022/23	28.77%	71.23%	100.00%
22/23 Shares (£m)	208.8	516.9	725.7
Uplift on previous year	3.6%	2.8%	3.0%
Estimated additional in year allocations	38.0		
NHS Highland Opening Offer (£m)	246.8		

2.4 Proposed level of Assurance

This report proposes the following level of assurance:

Full	<input type="checkbox"/>	Substantial	<input checked="" type="checkbox"/>	Moderate	<input type="checkbox"/>
Limited	<input type="checkbox"/>	None	<input type="checkbox"/>	Not yet assessed	<input type="checkbox"/>

3 Impact Analysis

3.1 Quality/ Patient Care

N/A

3.2 Workforce

There is both a direct and indirect link between the financial position and staff resourcing and health and wellbeing. Through utilisation of the Quality Impact Assessment tool the impact of savings on these areas is assessed.

3.3 Financial

This is part of the annual budget setting process for NHS Highland.

3.4 Risk Assessment/Management

Risk management is part of the H&SCP's management process in budgetary management and control.

3.5 Equality and Diversity, including health inequalities

An impact assessment has not been completed because it is not applicable

3.6 Other impacts

None

3.7 Communication, involvement, engagement and consultation

The Board has carried out its duties to involve and engage both internal and external stakeholders where appropriate through the following meetings:

- Executive Directors Group – via monthly updates and exception reporting
- Financial Recovery Board held weekly
- Quarterly financial reporting to Scottish Government

3.8 Route to the Meeting

- Annual statutory requirement

1. Recommendation

- The Board is asked to approve the budget offer to Argyll & Bute IJB