



Meeting: NHS Highland Board Meeting
Meeting date: 28 March 2023
Title: 2023/24 Budget offer to Argyll & Bute IJB
Responsible Executive/Non-Executive: Heledd Cooper, Director of Finance
Report Author: Elaine Ward, Deputy Director of Finance

1 Purpose

This is presented to the Board for:

- Decision

This report relates to a:

- NHS Board/Integration Joint Board Strategy or Direction

This report will align to the following NHSScotland quality ambition(s):

Safe, Effective and Person Centred

This report relates to the following Strategic Outcome(s)

Start Well		Thrive Well		Stay Well		Anchor Well	
Grow Well		Listen Well		Nurture Well		Plan Well	
Care Well		Live Well		Respond Well		Treat Well	
Journey Well		Age Well		End Well		Value Well	
Perform well	√	Progress well					

2 Report summary

2.1 Situation

This report sets out the initial budget offer for Argyll & Bute IJB for 2023/2024.

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 28.60%, this is a slight reduction from 28.77% in 2022/2023

On that basis, NHS Highland’s offer to the IJB is £265.498m, a 1.55% uplift on the adjusted baseline 2022/2023 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.

2023/24 Baseline Allocation Summary			
	A&B	North	Total
NRAC Shares 2023/24	28.60%	71.40%	100.00%
23/24 Shares (£m)	220.045	549.343	769.388
Uplift on previous year	1.55%	2.23%	
Estimated additional in year allocations (£m)	45.453		
NHSH Highland Opening Offer (£m)	265.498		

2.4 Proposed level of Assurance

This report proposes the following level of assurance:

Substantial
Limited

Moderate
None

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 Data Protection

N/A

3.6 Equality and Diversity, including health inequalities

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

3.7 Other impacts

None

3.8 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
- Monthly financial reporting to Scottish Government

3.9 Route to the Meeting

Annual statutory requirement

4 Recommendation

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

4.1 List of appendices

N/A