



Date: 22 January 2024  
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**TO: MEMBERS OF THE EAST RENFREWSHIRE INTEGRATION JOINT BOARD**

Dear Board Member

**EAST RENFREWSHIRE INTEGRATION JOINT BOARD – 31 JANUARY 2024**

Please find attached the undernoted items marked “to follow” on the agenda for the meeting of the Integration Joint Board on Wednesday 31 January 2024.

Yours faithfully

**Anne-Marie Monaghan**

Chair

**Undernote referred to:-**

- Item 7 – Financial Recovery Planning and Budget Update
- Item 8 – Revenue Budget Monitoring Report
- Item 9 – Savings Recovery and Renewal Programme.

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<b>Meeting of East Renfrewshire Health and Social Care Partnership</b>	Integration Joint Board	
<b>Held on</b>	31 January 2024	
<b>Agenda Item</b>	7	
<b>Title</b>	Financial Recovery 2023/24 and Budget Setting 2024/25	
<b>Summary</b>		
To provide the Integration Joint Board with the latest information on financial recovery in the current year and an overview of the potential impact to 2024/25 resulting from the Scottish Government budget announced on 19 December 2023.		
<b>Presented by</b>	Lesley Bairden, Chief Financial Officer	
<b>Action Required</b>		
The Integration Joint Board is asked to note and comment on this report and agree to the continued actions to mitigate costs as part of financial recovery planning.		
<b>Directions</b>	<b>Implications</b>	
<input type="checkbox"/> No Directions Required	<input checked="" type="checkbox"/> Finance	<input checked="" type="checkbox"/> Risk
<input type="checkbox"/> Directions to East Renfrewshire Council (ERC)	<input type="checkbox"/> Policy	<input type="checkbox"/> Legal
<input type="checkbox"/> Directions to NHS Greater Glasgow and Clyde (NHSGGC)	<input type="checkbox"/> Workforce	<input type="checkbox"/> Infrastructure
<input checked="" type="checkbox"/> Directions to both ERC and NHSGGC	<input type="checkbox"/> Equalities	<input type="checkbox"/> Fairer Scotland Duty

**EAST RENFREWSHIRE INTEGRATION JOINT BOARD**

**31 JANUARY 2024**

**Report by Chief Financial Officer**

**FINANCIAL RECOVERY 2023/24 and BUDGET PREPARATION 2024/25**

**PURPOSE OF REPORT**

1. To advise the Integration Joint Board of the latest information in relation to financial recovery for 2023/24 and to provide an overview of the potential impacts to 2024/25 per the Scottish Government budget announced on 19 December 2023.
2. This reflects to position discussed at the recent IJB seminar held on 12 January 2024.

**RECOMMENDATIONS**

3. The Integration Joint Board is asked to note and comment on this report and agree to the continued actions to mitigate costs as part of financial recovery planning.

**BACKGROUND**

4. The IJB will recall that we have been considering the possibility of invoking the need for financial recovery since the budget discussions in 2021/22 when we set our budget for that year. Again in 2022/23 we signalled that funding may not be sufficient to meet the increasing demand for services, recognising the historic level of savings delivered (£11.5 million on social care between 2015/16 and 2022/23, including non-recurring Covid support funding for 2 years).
5. Some IJB members may also recall that a change to a criteria based approach was signalled as the only viable option to reduce social care costs when the 2020/21 budget was set on the cusp of the Covid pandemic.
6. During 2023/24 we have been reporting that despite best efforts we may not be able to contain costs in the current financial year, with the complexities and demand of the post Covid landscape. In particular we recognised the risk of deliverability of the Supporting People Framework.
7. The IJB will also recall that at its November meeting the Chief Officer and Chief Financial officer advised that, based on the scale of the budget deficit and following discussion with both partner organisations the board recognised that we were entering formal negotiations with Local Authority and Health Board and also agreed that moving to substantial and critical levels of risk in our response to people's needs was required to mitigate costs.
8. The IJB also noted in and welcomed that East Renfrewshire Council have indicated support to the IJB for social care cost pressures on a non-recurring basis this financial year.

9. The position in 2023/24 will also impact on the budget for 2024/25 as the underlying deficit will require to be funded on a recurring basis, along with any new pressures from the 2024/25 budget settlement.
10. Following the November IJB meeting the Chief Officer wrote to both partner Chief Executives to confirm the outcome of the meeting and discussions with partners are ongoing.

## REPORT

11. The Integration Scheme sets out the high level approach for financial recovery. The following extract (paragraph 8.8 in the scheme) shows the text of the scheme and our update to each element:
12. The Chief Officer will deliver the outcomes within the total delegated resources and where there is a forecast overspend against an element of the operational budget, the Chief Officer, the Chief Finance Officer of the Integration Joint Board and the appropriate finance officers of the Local Authority and Health Board must agree a recovery plan to balance the overspending budget, which recovery plan shall be subject to the approval of the Integration Joint Board.
  - i. We have discussed our financial sustainability over the past few years and recognised in the past 2 budget cycles that financial recovery may be required. In the current year our IJB reporting is summarised below and in each report we reference that financial recovery will be a likely requirement.
  - ii. At our IJB meeting on 16 August 2023 we advised that the projected overspend for the year was £2.64 million, and the Chief Officer and her management team are working on actions to mitigate cost pressures as far as is possible in the current year. This projected position also assumes that the full savings target of £7.06 million will be achieved in year, including a draw from the budget savings, pressures and general reserves.
  - iii. At our IJB meeting on 27 September 2023 we advised that the projected overspend for the year was now £3.044 million and we continue work on actions to mitigate cost pressures as far as is possible in the current year. Action plans continue to be developed and so far have identified cost reductions of £0.5m (further tightening of vacancy management, ensuring non pay spend is minimised including equipment and running costs where there is any flexibility to do so). We are in the process of undertaking a voluntary severance trawl, with our staff employed by the council to support the delivery of recurring savings.
  - iv. At our IJB meeting on 22 November we advised that the actions to reduce costs were now £0.6 million. The IJB were also advised that although the projected overspend in the report was still c£3 million, as the prescribing position is deteriorating and we are also concerned about the delivery of supporting people existing savings we now need to revise our criteria to substantial and critical and this was agreed by the IJB.
  - v. We have had a moratorium on non-essential spend in place from prior years, however a refresher communication has been issued as part of the Chief Officer update on our financial position to all staff.

- vi. The Chief Officer continues to work with her management team and we are introducing further measures to review weekly the impact of reviews of care packages to substantial and critical and any other changes. We have revised the governance process for chairing our weekly allocation groups.
  - vii. We were already reviewing our grant funded activity and are expediting any changes we can make, whilst recognising the importance of our voluntary organisations as a backbone of mitigation to provide support at lower levels of need.
  - viii. We are looking at delegation and authorisation levels to further control our costs.
  - ix. Our Income Generation group, including IJB members continues to meet and this will inform our approach for 2024/25.
13. In the event that the recovery plan does not succeed, the Chief Officer, Chief Financial Officer of the Integration Joint Board will consider utilising Integration Joint Board reserves where available.
- i. Our financial reporting for the year already recognises we will utilise all reserves available to us in this financial year.
14. The Parties may consider as a last resort making additional funds available, on a basis to be agreed taking into account the nature and circumstances of the overspend, with repayment in future years on the basis of the revised recovery plan agreed by the Local Authority and Health Board and Integration Joint Board.
- i. The Council have indicated non-recurring support in the current financial year and as reported to the IJB in November 2023 this was at the point the social care element of the projected overspend was c£2 million. However in the letter sent to commence the recovery mechanism this included the updates provided at the IJB and this was now c£3.2 million.
  - ii. The additional Covid support funding from the council has also been factored in to the latest monitoring.
15. If the revised plan cannot be agreed by the Local Authority and Health Board, or is not approved by the Integration Joint Board, mediation will require to take place in line with the dispute resolution arrangements set out in this Scheme. However given the ongoing discussions with partners, including the support from the council, we do not consider that this will be required.
16. The potential deficit we communicated to our partners of £5.8 million as at the end of November, is summarised in the table below and this already allows for the actions to mitigate further cost increases as well as reducing existing costs, as referred to above:

	ERC £m	NHS £m	Total £m
November 2023 projected deficit (per report)	1.8	1.2	3.0
Further Pressures:			
Prescribing (net of £0.1m local actions)		1.4	1.4
Savings at risk (supporting people £2.5m, other £0.1m) (after £1.7m reserves)	2.6		2.6
Less: reduction from criteria changes	(1.2)		(1.2)
Potential Overspend in Financial Recovery letter	3.2	2.6	5.8

17. The latest revenue monitoring shows that we whilst we have a modest reduction in projected costs of £0.2 million against the position as above, we are still concerned around the deliverability of the supporting people change in criteria saving, from both the time and capacity to undertake reviews and the outcome of the assessments. This is the biggest priority for our management team across the HSCP.
18. You will see in the revenue monitoring report that the current overspend is £5.6 million, which is reduced to £4.6 million after the Covid support funding from the council of £0.7 million and further reserves release of £0.3 million are factored in.
19. The current projected spend includes the assumption that £1.2 million of savings will still be achieved in the remainder of the current year from the move to substantial and critical care criteria. Any shortfall will increase the budget deficit meaning that options for alternative savings would then need to be identified and will result in significant reduction and / or cessation of services. In reality this would mean significant reductions to staffing and we are exploring whether any “plan B” options can be developed.
20. The voluntary severance trawl, with our staff employed by the council, has been finalised for phase 1 and is part of the financial recovery cost reductions, effective from 1 April 2024 and this will reduce cost next year by just under £0.8 million. We are looking at a targeted trawl as a phase 2 during 2024/25.
21. The IJB is also asked in the revenue monitoring report to release the £0.327 million reserves previously identified to offset costs in the current year.
22. The latest monitoring report also recognises the additional £0.687 million of non-recurring Covid pressures funding provided by the council in the current year.
23. Taking into account the changes set out above this means the current unfunded deficit is £4.549 million, split £2.120 million against our council funded activity and £2.429 million against NHS.
24. Any support we gain in the current year is assumed, at this stage, to be non-recurring and therefore the underlying deficit needs to be factored into the 2024/25 budget to ensure we have sufficient recurring savings to close any funding gap. In the event we need to consider a loan approach (i.e. we “borrow” funding from either partner to balance 2023/24) then the associated payback would also need to be factored in to our future cost pressures.
25. The Chief Officer and her management team continue to work on actions to mitigate cost pressures in the current year. We continue with a moratorium on non-essential spend; have stringent scrutiny on recruitment; focus on review of care package costs; reviewing grant funded activity; looking at charging for services; utilised all reserves; progressing change through our savings, recovery and renewal programme; and we are seeking any other ideas and options to reduce costs in the current year.
26. When we look at the budget for 2024/25, it's fair to say the budget settlement announced by the Scottish Government on 19 December 2023 was worse than we had hoped for. In summary:
  - i. NHS pay uplift funded, no other uplifts or growth
  - ii. ERC expect pay will be funded
  - iii. Up-rating of Free Personal & Nursing Care – no gain or flexibility
  - iv. £12p/h funding for Living Wage for providers – no gain or flexibility

- v. Superannuation gain for next 2 years included both recurring and non-recurring
27. So this means that there is no non-pay uplift to the NHS, resulting in a significant new pressure, nor any recognition of population, demand, complexity of need or prescribing growth. So this increases our local pressures.
28. The budget letters are included at Appendices 1A (NHS) and 1B (Council) for information and a significant point to note in the NHS letter is the expectation that higher savings is the only mechanism to meet increased costs, the letter states a 3% expectation on NHS and also recognises that this alone will not be sufficient to close funding gaps.
29. The initial impact by partner is set out in the tables below and as discussed at the recent IJB seminar is heavily caveated as a number of assumptions will be refined over the coming weeks including understanding our share of funding for implementation of the uplift to free personal and nursing care and the living wage versus expected costs, contractual rates such as the national care home contract, the impact of any system wide actions on prescribing etc.
30. The table below shows the latest scenario against our council funded activity with a balance of £0.282 million as yet unfunded, options are continuing to be explored. You will note that the pressures include £3.6 million of unachieved savings brought forward from 2023/24 and this should reduce during the coming weeks as reviews progress against the substantial and critical criteria now in place (we had modelled £1.2 million for this).

<b>New Cost Pressures - ERC</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Pay at 3% then 2% and 2%	0.878	0.590	0.590
Increment Pressure (adjusted for voluntary severance)	0.104		
Non Care Inflation - utilities and transport in line with ERC assumptions	0.074		
Care Inflation at 5% reducing to 4% reducing to 2%	2.852	2.087	1.044
FPNC policy increase % tbc but £0.51m is share of funding	(0.510)		
Living Wage to £12 p/h (10%) - details to follow on allocation			
Demographics & Demand	1.988	2.067	1.364
Unachieved 2023/24 - tbc (working to eliminate / minimise)	3.600		
<b>Total Potential Pressures</b>	<b>8.986</b>	<b>4.744</b>	<b>2.998</b>
Less: Superannuation Gain – Recurring	0.360	0.360	0.360
Less: Superannuation Gain – Non Recurring	2.200	2.200	-
Less: Fostering & Kinship funding gain	0.100		
<b>Revised Pressures and associated Funding Gap</b>	<b>6.326</b>	<b>2.184</b>	<b>2.638</b>
<b>To be funded by:</b>			
Savings, Recovery & Renewal	0.761	0.440	
Voluntary Severance - Phase 1 with 15 posts agreed	0.783		
Voluntary Severance - Phase 2 will require targeted approach	0.300	0.300	
Move care criteria to substantial and critical only (£5.8m was modelled over 2023/24 and 2024/25, but allows further £0.6m (10% of model) deduction for complexity etc.)	4.000		
Charging for Services	0.200	1.300	
<b>Remaining Gap - what to stop?</b>	<b>0.282</b>	<b>0.144</b>	<b>2.638</b>

31. The savings currently included within recovery and renewal are summarised in the next table and wider options are underway to ensure we can look at whether we can identify any “plan B” options for any shortfall in criteria based savings and also to develop service redesign models to help close the potential gap against our NHS



funding too. This will have to include cessation and significant reduction of some services and we will explore the options to share services with partners and fellow HSCPs too.

	2024/25 £m	2025/26 £m	
<b>HSCP Wide Savings</b>			
Grant Funded Activity	0.300	0.200	New target based on workshop and working group
Transport			Lease v's purchase, electric, LD strategy etc - saving amount tbc
<b>Learning Disabilities</b>			
Sleepover Review	0.100	-	
Supported Living	0.020	-	
<b>Intensive Services</b>			
Care at Home Review Phase 2	0.150	0.050	allows for some delay in 24/25
Review of posts and associated running costs	0.064	-	this is full year effect from 23/24
<b>Children and Families</b>			
Review of Connor Road funding	0.065	-	this is full year effect from 23/24
<b>Finance and Resources</b>			
Review of Structure and Processes	-	0.190	Was dependant on system - part advanced in VR trawl phase 1
<b>Localities</b>			
Review of posts and associated running costs	0.052	-	
<b>Mental Health and Addictions</b>			
Review of Structure and Care Packages	0.010	-	
<b>Total Savings</b>	<b>0.761</b>	<b>0.440</b>	

32. The table below shows the latest scenario against our NHS funded activity with a balance of £1.948 million as yet unfunded, with options continuing to be developed. The expected 3% efficiency target is shown and as difficult as this will be to achieve, particularly without any mechanism for any voluntary release of staff, this is insufficient to close the possible funding gap. This in turn is dependent on the level of prescribing pressure that needs to be funded, recognising the multitude of complexities not in our direct control. The lack of any non-pay uplift in the Scottish Government settlement is significant as this was assumed at £0.680 million, in line with the 2% per the current year.

<b>New Cost Pressures - NHS</b>	2024/25 £m	2025/26 £m	2026/27 £m
Pay at 3% then 2% and 2%	0.642	0.441	0.441
Non Pay Inflation was assumed at 2% based on prior year	0.680	0.680	0.680
Prescribing Pressure assumed including inflation	2.500	1.500	1.000
Equipment Pressure	0.100	0.100	0.100
Staffing - HV / LD in-patients - tbc	0.500		
Unachieved savings 2023/24	0.000		
<b>Total Potential Pressures</b>	<b>4.422</b>	<b>2.721</b>	<b>2.221</b>
Less: Any settlement or other gains			
Less: pay award assumed fully funded	0.642	0.441	0.441
<b>Revised Pressures to Fund if Flat Cash</b>	<b>3.780</b>	<b>2.280</b>	<b>1.780</b>
<b>To be funded by:</b>			
No non pay increase for 2024/25 but assume for future years?		0.680	0.680
Savings Identified (so far, further tbc)			
No uplift to non pay as not funded	0.680		
3% Savings Target			
- staffing	0.642		
- non pay (excluding prescribing)	0.510		
- prescribing	0.510		
<b>Remaining Gap - what to stop?</b>	<b>1.948</b>	<b>1.600</b>	<b>1.100</b>

33. We anticipate the redesign of long stay beds within our hosted Learning Disability In-Patient service will help mitigate some of the staffing pressure we are currently facing, however some allowance has been included to phase this in during 2024/25
34. Primary Care Improvement Plan, Alcohol and Drugs (Local Improvement Fund) and Mental Health Action 15; given we still await confirmation from the Scottish Government of our current year allocation for Mental Health Action 15, it is a little difficult to accurately plan ahead .However given we have relatively stable activities within each area no significant changes are expected at this stage, albeit if pay awards are unfunded this will create some pressure.

## **IMPLICATIONS OF THE PROPOSALS**

### Finance

35. The financial implications are detailed in the report. Financial recovery discussions remain ongoing with our partners and preparation for budget setting in March continues. The current modelled costs show total unfunded gap could be £10.1 million with options to close that gap totalling £7.9 million, with a further £2.2 million being worked on, subject to impact of the final budget settlement and ongoing clarification and refinement.

### Risk

36. Delivering services and the savings recovery and renewal programme within existing funding is clearly our most significant risk and we remain concerned about the Supporting People Framework criteria changes.
37. There are other risks which could impact on the current and future budget position; including:
  - Maintaining capacity to deliver our services
  - Achieving all existing savings on a recurring basis and containing the current projected overspend
  - The ongoing impact of Covid-19 on our partner providers and the care service market
  - Prescribing costs and the ability to accurately model and project the position, particularly in the early part of the year
  - Observation and Out of Area costs within Specialist Learning Disability Services
  - The impact of current year pressures on forward financial planning
  - The ability to identify, develop and deliver any “plan B” proposals across health as well as social care

## **DIRECTIONS**

38. The budget directions for 2024/25 will be issued following the agreement of the IJB budget in March 2024.
39. Financial recovery discussions are ongoing with both partners and the council’s support for 2023/24 pressures will be reflected for our final outturn.

## **CONSULTATION AND PARTNERSHIP WORKING**

40. The Chief Financial Officer has consulted with our partners and the opportunities for ongoing discussions are very much welcomed.
41. The Chief Officer and Chief Financial Officer continue to attend the council's budget strategy group and appreciate the opportunity the present the IJBs budget position. It is also acknowledged that the in-year Covid support funding of £0.687 million is very much welcomed.

## **CONCLUSIONS**

42. The report provides an overview of the current financial recovery position and ongoing discussions to support the projected overspend of £5.563 million after the planned use of reserves. This decreases to £4.549 million after the additional Covid funding from the Council of £0.687 million and the remaining earmarked reserves of £0.327 million are factored in.
43. The current budget planning assumptions are included for information and are heavily caveated as work will continue between now and the end of March, recognising this position may change as impacts and issues become clearer.

## **RECOMMENDATIONS**

44. The Integration Joint Board is asked to note and comment on this report and agree to the continued actions to mitigate costs as part of financial recovery planning.

## **REPORT AUTHOR**

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0141 451 0749

18 January 2024

Chief Officer, IJB: Julie Murray

## **BACKGROUND PAPERS**

None

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Chief Executives, NHS Scotland

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

***Issued via email***

19 December 2023

Dear Chief Executives

**Scottish Government Budget 2024-25**

Following the announcement of the Scottish Government's Budget for 2024-25 by the Deputy First Minister in Parliament today, I am writing to provide details of the indicative funding settlement for Health Boards. A breakdown of the total is provided in **Annex A** to this letter.

The Deputy First Minister noted in her response to the UK Government's Autumn Statement that it delivered a worst-case scenario for Scotland's finances. The financial pressures across health and social care are, by far, the most challenging since devolution. We have worked to protect NHS Budgets and social care funding where other parts of the public sector have faced reductions. All health consequentials have been passed through to the Portfolio, but these were not at a level expected by the Scottish Government, particularly given the non-recurring nature of 2023-24 pay consequentials, and we recognise the continued pressures health and social care services face in the aftermath of the pandemic and changing demographic profiles.

As in previous years, the budget announced will be subject to any amendments agreed through the Scottish Parliament's Budget Bill process. In addition, we will undertake further work with you specifically in relation to pay costs and waiting times funding. I will keep you up to date with any changes to our planning assumptions.

**Budget Uplift**

Compared to 2023-24 budgets, territorial NHS Boards will receive a total increase of 4.3% for 2024-25 to cover costs related to the 2023-24 pay deals, as well as the baselining of £100 million sustainability and NRAC funding provided in 2023-24. For clarity, the 4.3% uplift relates to 2023-24 non-recurring funding now being made on a recurring basis. National Boards will receive a 3.8% uplift to fund 2023-24 pay deals.

In terms of pay, funding arrangements for Boards will be revisited by the Scottish Government following the outcome of the pay negotiations in the new financial year. As part of Boards recurring adjustments for 2023-24, amounts have been included based on pay offers for Agenda for Change and Medical and Dental staffing in 2023-24. Pay for NHS staff remains subject to agreement for 2024-25, and we will work with Directors of Finance to finalise this position once the outcome is known. We will write to Boards in 2024 to confirm finalised baseline budgets following the conclusion of this work, but at this stage it should be assumed that additional funding will be allocated to support a deal.

We have committed the £100 million sustainability funding for non-pay costs, but beyond this and the NRAC funding provided in 2023-24, Boards will be expected to manage pressures within existing envelopes. Funding ensures no Territorial Board is further than 0.6% from parity.

## Covid-19 Funding

Whilst the scale of Covid-19 costs has reduced significantly in 2023-24, we recognise there are specific legacy costs that will require additional funding support in the new financial year. This includes funding for:

- Vaccinations staffing and delivery.
- Test & Protect activities including Regional Testing facilities.
- Additional PPE requirements; and
- Some specific Public Health measures.

Following today's budget, we will seek to provide early clarity as to the total funding to be provided to support these costs. However, beyond the above, NHS Boards and Integration Authorities should expect to meet remaining costs from baseline funding and should continue to drive these costs down as far as possible.

## Policy Funding

In addition to the baseline uplift outlined, funding aligned to policy commitments and recovery of health and social care services will be allocated to Boards and Integration Authorities in 2024-25. It is our intention to provide early indication of allocations where possible, and to align this to the planning guidance that will be issued in relation to Annual Delivery Plans, setting out the priorities for health and social care in the coming year.

We are aware there has been a rise in the volume of allocations over the past few years and we are committed to reducing this. We are also aware timing of some allocations being later in the year leads to uncertainty and difficulties in service planning without funding certainty. We are committing to putting out 80% of allocations in the first quarter, where necessary these may be a % of the full allocation value.

## Health and Social Care Integration

Formal notification of the terms and approach to the Local Government funding settlement will be given in the Circular and Local Government Budget Letter. The Health and Social Care Portfolio will transfer net additional funding of £241.5 million to Local Government to support social care and integration. The overall transfer to Local Government includes additional funding of £230 million to deliver a £12 per hour minimum pay settlement for adult social care workers in private and third sectors, in line with the Real Living Wage Foundation rate. In addition, an inflationary uplift on Free Personal Nursing Care rates (£11.5 million) is provided.

The funding allocated to Integration Authorities for Free Personal and Nursing Care and adult social care pay in third and private sectors should be additional and not substitutional to each Council's 2023-24 recurring budgets for adult social care services that are delegated. This means that, when taken together, Local Authority adult social care budgets for allocation to Integration Authorities must be £241.5 million greater than 2023-24 recurring budgets to ensure funding from Health and Social Care Portfolio contributes to meeting outcomes in this area. Where there is evidence funding is not passed across to be used for the policy intent, the Scottish Government reserves the right to look at reclaiming funding allocated.

We have progressed baselining prior year Real Living Wage funding totalling £333.5 million to Local Government. A further £52.3 million has been baselined for other commitments including uprating free personal nursing care.

## Capital

### a. Capital Budget

The health capital budget increases from £578 million to £754 million, however if the health research element is excluded (which is a ring-fenced budget that cannot be used for capital investment), the budget reduces by £59 million from £373 million to £314 million. This is lower than our planning assumptions, which were shared with Chief Executives, Chairs and Directors of Finance in August.

The settlement allows for formula capital to be maintained at 2023-24 levels, all major projects in construction to be completed (Baird and Anchor, Parkhead Health Centre, QEUH rectification and Jubilee Phase 2), as well as support for the national replacement programmes for Ambulances and Radiotherapy equipment. Beyond these

core areas outlined above, we will not be providing any funding, including in relation to our intention to increase formula capital so that it doubles over the Capital Spending Review period (2021-22 to 2025-26).

In respect of 2023-24, we are asking all Boards to review their capital expenditure for the remainder of the year and to defer any areas where spend is discretionary.

**b. New Developments and Capital Planning**

We are aware that most Boards are developing infrastructure plans and individual projects which will require Scottish Government funding to progress. Given the challenging settlement we are managing, we will not be funding development costs for any new projects, as we do not anticipate starting construction of any new project over the next two years at least. We understand the local challenges this will present in some instances, so the Health Capital Finance team will arrange a discussion with all affected Boards in the New Year to confirm arrangements. However, in the meantime, NHS Boards should immediately stop any project development spend, otherwise these costs may need to be funded from local formula capital budgets which should instead be directed towards maintenance of the existing estate and essential equipment and digital replacement.

Now that we have clarity on the capital funding position, a Directors' Letter on Whole System Planning that focusses on maintaining your current estate, will be issued in the New Year.

**c. Small Scale Projects**

The Scottish Government has always looked to provide capital support for relatively small scale, but essential investments, that could not be funded through formula capital. At this point, our ability to fund such investments is extremely limited and Boards should not anticipate receiving additional funding in 2024-25, even if funding has previously been agreed.

It is clear that there is significant financial challenge in 2024-25 above levels we have seen before and we will continue to work closely with Chief Executives to address this. I thank you again for your support to date and your continued engagement moving into the next financial year.

**2024-25 Financial Planning**

I wrote to all Boards previously outlining my expectations for 2024-25 plans, being:

- a clear programme of work and supporting actions to achieve the target of 3% recurring savings on baseline budgets,; and
- an improved forecast outturn position compared to your forecast outturn position reported at the start of 2023-24.

Further to this, I confirmed for Boards in receipt of brokerage in previous years that this would be capped for 2024-25. There is no central budget available for brokerage and any funding given for this limits investment in other areas.

**Financial savings**

I am aware the 3% savings target alone will not be enough to return to breakeven or in some cases the brokerage cap. There are a number of areas of work underway to support NHS Boards and collectively improve the financial position as set out below.

15 box grid

I have communicated previously the 15 box grid approved by Board Chief Executive on 14 November. This sets out 15 areas of focus for Boards to progress. There are various national programmes of work supporting these areas to be implemented at a local level.

The Financial Delivery Unit will continue to co-ordinate and assist Boards to identify further actions or areas that will support delivery of your 3% recurring savings target.

The NHSSP&DB has been established to direct and co-ordinate a range of national work including strategic planning, national programmes and national improvement. Work will continue to rationalise national programmes and agree priorities to simplify the landscape and have a stronger focus on affordability. As agreed, decisions will be taken on a Once for Scotland basis working alongside Board Chief Executives and the other functional professionals groups.

### CHOICES

As set out at the Board Chief Executive meeting on 12 December, we will progress the development of the CHOICES options which will provide the framework in which decisions around the following key areas will be made:

- Workforce
- Innovation
- Service and infrastructure optimisation

Further guidance will follow in respect of the above and will take account of the discussions you have been having with the NHS Scotland Chief Operating Officer and members of my team.

It is clear that there is significant financial challenge in 2024-25, above levels we have seen before, and we will continue to work closely with Chief Executives and colleagues across the whole system. I thank you again for your support to date and your continued engagement moving into the next financial year.

Yours sincerely,



**RICHARD MCCALLUM**

Director of Health and Social Finance, Digital and Governance



	2023/24 Allocation	Recurring Allocations*	Updated Allocation	Uplift**	2024/25 Total Allocation	Uplift from 2023/24	NRAC Funding	Distance from NRAC Parity
	£m		£m	£m	£m	%	£m	%
<b>NHS Territorial Boards</b>								
Ayrshire and Arran	850.2	33.1	883.3	0.2	883.5	3.9%	0.2	-0.6%
Borders	248.6	10.4	259.0	1.5	260.4	4.8%	1.5	-0.6%
Dumfries and Galloway	352.2	12.5	364.7	0.0	364.7	3.6%	0.0	1.1%
Fife	790.8	31.3	822.1	7.2	829.2	4.9%	7.2	-0.6%
Forth Valley	631.1	25.7	656.8	2.1	658.9	4.4%	2.1	-0.6%
Grampian	1,129.9	44.4	1,174.2	2.2	1,176.4	4.1%	2.2	-0.6%
Greater Glasgow and Clyde	2,639.4	93.8	2,733.1	0.0	2,733.1	3.6%	0.0	1.3%
Highland	768.2	39.0	807.1	0.0	807.1	5.1%	0.0	-0.6%
Lanarkshire	1,424.1	57.9	1,482.0	6.9	1,489.0	4.6%	6.9	-0.6%
Lothian	1,743.3	72.0	1,815.3	10.2	1,825.5	4.7%	10.2	-0.6%
Orkney	60.2	2.5	62.8	0.8	63.6	5.6%	0.8	-0.6%
Shetland	60.1	2.2	62.4	0.0	62.4	3.7%	0.0	1.9%
Tayside	912.2	39.0	951.2	0.0	951.2	4.3%	0.0	-0.3%
Western Isles	89.0	3.8	92.9	0.0	92.9	4.3%	0.0	12.6%
<b>Territorials Total</b>	<b>11,699.2</b>	<b>467.5</b>	<b>12,166.7</b>	<b>31.1</b>	<b>12,197.9</b>	<b>4.3%</b>	<b>31.1</b>	
<b>NHS National Boards</b>								
National Waiting Times Centre	75.8	6.0	81.8	0.0	81.8	7.9%		
Scottish Ambulance Service	334.2	15.0	349.2	0.0	349.2	4.5%		
The State Hospital	42.5	2.0	44.5	0.0	44.5	4.6%		
NHS 24	90.7	0.7	91.4	0.0	91.4	0.8%		
NHS Education for Scotland	517.6	32.6	550.2	0.0	550.2	6.3%		
NHS National Services Scotland	378.6	1.7	380.3	0.0	380.3	0.4%		
Healthcare Improvement Scotland	33.6	0.2	33.8	0.0	33.8	0.5%		
Public Health Scotland	56.9	0.6	57.5	0.0	57.5	1.0%		
<b>Nationals Total</b>	<b>1,530.1</b>	<b>58.8</b>	<b>1,588.9</b>	<b>0.0</b>	<b>1,588.9</b>	<b>3.8%</b>		
<b>Total NHS Boards</b>	<b>13,229.3</b>	<b>526.3</b>	<b>13,755.6</b>	<b>31.1</b>	<b>13,786.7</b>	<b>4.2%</b>		

\* Includes recurring allocations from 2022-23

\*\* Includes NRAC parity adjustments.

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

Copy to: Councillor Steven Heddle  
The Leaders and Chief Executives of all Scottish  
local authorities

19 December 2023

## LOCAL GOVERNMENT SETTLEMENT 2024-25

Today I formally set out the Scottish Government's proposed Budget for 2024-25 to the Scottish Parliament. Further to the budget statement I write now to confirm the details of the local government finance settlement for 2024-25.

This draft budget prioritises supporting people through the cost-of-living crisis, investing in our frontline public services, and tackling the climate emergency head-on. It focuses on our three missions:

- Community - Delivering efficient and effective public services
- Equality - Tackling poverty and protecting people from harm
- Opportunity - Building a fair, green and growing economy

This Budget comes at a difficult fiscal period for Scotland. The economic conditions for the 2024-25 Scottish Budget are set to remain challenging as inflationary and pay pressures continue to impact on households, businesses and public bodies. The funding provided by the UK Government in the Autumn Statement fell far short of what we needed. Scotland needed more money for infrastructure, public services and fair pay deals. Instead, the Autumn Statement delivered a real terms reduction in the total block grant. The UK Government have not inflation-proofed their Capital Budget which is forecast to result in a 9.8% real terms cut in our UK capital funding over the medium term between 2023-24 and 2027-28.

It is also important to recognise the positive change in the relationship between the Scottish Government and local government. On 30 June of this year we signed the Verity House Agreement which set out our vision for a more collaborative approach to delivering our shared priorities for the people of Scotland. We agreed to change the way we work together, building a relationship on mutual trust and respect; focusing on achievement of better

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outcomes; and consulting and collaborating as early as possible in policy areas where local government has a key interest.

We committed to regularly reviewing councils' powers and funding, with the expectation that services will be delivered at a local level unless agreed otherwise; and to develop a framework for collecting and sharing evidence to ensure progress is maintained.

We also undertook to agree a new Fiscal Framework governing how local authorities' funding is allocated, reducing ring-fencing and giving greater control over budgets to meet local needs. On Thursday 14 December we jointly published an update on the development of this fiscal framework and our officials will continue to work together to develop this further. We also wish to work with COSLA through the development of that Fiscal Framework to ensure the distribution arrangements for the settlement continue to meet the needs of our remotest communities and changing population. In this regard, I am open to considering adjusting the funding floor percentage ahead of the Local Government Order and would welcome any views on this or other elements of distribution as part of the consultation to the order due to publish on Thursday 21 December."

As part of our discussions with you on the new fiscal framework we will also seek to increase discretion for local authorities to determine and set fees and charges locally. This will include continuing our joint work to agree next steps following the recently closed consultation on building warrant and verification fees, and a consultation on planning fees to launch in early 2024. We also intend to explore with local government options in respect of other fees and charges which are currently levied locally but set nationally, with a view to further empowering councils in these areas.

The intention is that the indicative allocations to individual local authorities for 2024-25 will be published in a Local Government Finance Circular on Thursday 21 December. That circular will begin the statutory consultation period on the settlement.

The total funding which the Scottish Government will make available to local government in 2024-25 through the settlement will be over £14 billion for the first time should all 32 councils agree to freeze council tax. This includes:

- An additional £6m to support the expansion of Free School Meals;
- An additional £11.5m to support the uprating of Free Personal and Nursing Care rates;
- Additional funding of £230m to deliver a £12 per hour minimum pay settlement for adult social care workers in commissioned services via agreed contract uplifts;
- An additional £6.8m for Discretionary Housing Payments
- £145.5m to continue to maintain teachers and support staff (on which further detail will follow) as well as £242m to support teacher pay uplifts;

This excludes funding for teacher pension contributions. As you are aware there will be an increase in the employer contribution rate in the Scottish Teachers' Pension Scheme. The rate is set to increase from 23% to 26% from 1 April 2024, following the conclusion of the 2020 scheme valuation. The UK Government have publicly stated that the funding will be allocated to individual UK Government departments in Spring 2024. Scottish Ministers will make decisions on funding allocations once the UK Government funding position is clearer and the implications for consequentials are understood.

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Discussions with COSLA are also underway to finalise the costs of delivering the £12 per hour minimum pay commitment for PVI providers delivering children’s social care, bringing this in line with ELC and adult social care. Following discussions with COSLA, and approval through the formal financial governance process, our aim is to provide additional funding in 2024-25 for children’s social care.

The funding allocated to Integration Authorities for Free Personal and Nursing Care and adult social care pay in commissioned services should be additional and not substitutional to each Council's 2023-24 recurring budgets for adult social care services that are delegated. This means that, when taken together, Local Authority adult social care budgets for allocation to Integration Authorities must be £241.5 million greater than 2023-24 recurring budgets to ensure funding from Health and Social Care Portfolio contributes to meeting outcomes in this area. Where there is evidence funding is not passed across to be used for the policy intent, the Scottish Government reserves the right to look at reclaiming this.

Within the Verity House approach, Scottish Government and Local Government are committed to developing a joint overarching framework of outcomes, accountability and monitoring. It is envisaged that this framework will be finalised by spring 2024. In the meantime, this settlement includes almost £1 billion of funding which has been baselined into the General Revenue Grant, as part of our commitment under the Verity House Agreement to remove ring-fencing and increase funding flexibilities to local authorities, subject to agreeing the detail set out below. As I have advised the COSLA President, Vice President and Resources Spokesperson in our pre-budget engagement, the baselining exercise has required us to restate the fiscal position for prior years to meet Parliamentary expectation on budget presentation. In light of this restatement, I have asked my officials to provide the necessary data to ensure that the reconciliations are clearly understood by COSLA.

The baseline proposals will deliver flexibilities across Social Care, Education, Social Justice, Net Zero and Justice. The detail of the individual lines is set out in the Annex to this letter.

In return, our expectation is that Councils will continue to deliver all statutory and contractual commitments associated with the relevant funding. In relation to the funding for Social Care being baselined we expect the continued payment of the living wage to adult social care staff in commissioned services, with Councils benefitting from flexibility on how that is delivered locally.

Alongside this, we expect that local government will continue in good faith to engage in a range of discussions about future policy direction. Given the joint work required to progress the delivery of the National Care Service, and the positive progress made so far, we expect this to continue, with every effort being made to reach agreement on outstanding matters in relation to arrangements for the chairs of local boards, direct funding and consistency of delegation.

Our offer to baseline £564.1m of education funding is conditional upon the agreement that, by the end March 2024, the assurance framework being sought by the Cabinet Secretary for Education and Skills is in place and that the new joint Education Assurance Board has been

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established. In light of the £521.9 million of early learning and childcare (ELC) funding which is being baselined, I am also seeking your agreement to commit publicly to exploring options for a national indicative rate or range of rates for the ELC PVI sector to secure their financial sustainability in future years.

Further discussion on flexibility on other Education funding lines will take place within the Education Assurance Board once it is operational. Our expectation is also that Councils will continue to honour the existing joint agreement on provision of free school meals on a universal basis to primary 4, 5 and special school pupils, building upon our earlier agreement with respect to universal provision to primary 1 to 3 pupils.

This baselining is an initial step in the process of embedding the Verity House Agreement and is not a one-off event. I have emphasised the need for further movement in Budget 2025-26 to my Cabinet colleagues and over the coming months we will be identifying further lines which could be considered and put forward for baselining supported by the outcomes, accountability and monitoring framework to be agreed in the coming months.

The Scottish Government is committed to working in partnership with Local Government to deliver a national freeze on Council Tax in 2024-25. We have engaged closely with you to discuss the parameters and principles for identifying funding to support this commitment and will continue discussions during the coming months to reach agreement. Consequently, we have set aside £144 million to fund a freeze in Council Tax across each of Scotland's 32 local authorities. The funding earmarked is equivalent to a 5% increase in Council Tax nationally, taking into account the average rise to Council Tax in 2023-24, whilst recognising that inflationary pressures have eased in the last 12 months.

The funding represents the Council Tax revenue that might have been raised (net revenue), and excludes the forgone revenue associated with the increased cost of the Council Tax Reduction scheme, and other deductions (gross revenue), which Council Tax rises would have caused. On this basis we will seek the agreement of councils to freezing their Council Tax in 2024-25, and as I have indicated this week, I remain open to continued dialogue as to how we might best achieve that.

In respect of the statutory accounting framework and discussions on its robustness over the past number of years, I can also confirm that I have no plans in the immediate future to commence the Capital Accounting Review which was proposed in the Resources Spending Review in May 2022.

Should all councils agree to freeze Council Tax, the 2024-25 Local Government Settlement of over £14 billion offers an increase equivalent to 6.0% in cash terms since the 2023-24 budget. It continues to provide local government with a funding settlement that is both fair and affordable, under the most challenging of circumstances. Critically, in the face of a worst-case scenario Autumn Statement and amongst all the difficult decisions in the Budget, we have increased the Local Government Settlement's share of the discretionary budget.

I acknowledge that this Budget cannot deliver the resources all our partners will want. I am under no illusions about the challenging fiscal environment we face across all of our public services, not only this year but in years to come. This Budget addresses key priorities, targets resources on low-income households and paves the way for future investment in this

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Parliament. It treats local authorities fairly and consistently with other portfolios. Scottish Ministers have had to take difficult decisions which have allowed us to prioritise funding and invest in the areas which have the greatest impact on the quality of life for the people who call Scotland home.

I look forward to working with COSLA in the year ahead to deliver our shared priorities and to continue to fully implement the Verity House Agreement.



**SHONA ROBISON**

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## FUNDING BASELINED IN 2024-25

Funding Line	Proposal (£m)
Local Heat and Energy Efficient Strategies	2.4
Community Justice Partnership Funding	2.0
Living Wage	333.5
Blue Badge	0.72
Free Personal and Nursing Care	42.3
Former Housing Support Grant	1.0
Free period products in schools and public places	4.9
Early Learning and Childcare Specific Revenue Grant	521.9
Free School Meals	42.2
<b>Total (£m)</b>	<b>£950.92</b>

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<b>Meeting of East Renfrewshire Health and Social Care Partnership</b>	Integration Joint Board	
<b>Held on</b>	31 January 2024	
<b>Agenda Item</b>	8	
<b>Title</b>	Revenue Budget Monitoring Report 2023/24; position as at 30 <sup>th</sup> November 2023	
<b>Summary</b>		
To provide the Integration Joint Board with financial monitoring information in relation to the revenue budget, as part of the agreed financial governance arrangements.		
<b>Presented by</b>	Lesley Bairden, Chief Financial Officer	
<b>Action Required</b>		
The Integration Joint Board is asked to:		
<ul style="list-style-type: none"> <li>• note the projected outturn for the 2023/24 revenue budget</li> <li>• note that the Chief Officer and her management team continue to work on actions to mitigate cost pressures in the current year</li> <li>• note that East Renfrewshire Council has indicated support to the IJB for social care cost pressures on a non-recurring basis this financial year</li> <li>• note that East Renfrewshire Council has allocated a further £0.758 million non-recurring Covid reserve funding to the IJB this this financial year</li> <li>• approve the release the £0.327 million earmarked reserves identified to support financial recovery</li> <li>• approve the budget virement requested within the report</li> </ul>		
<b>Directions</b>		<b>Implications</b>
<input type="checkbox"/> No Directions Required <input type="checkbox"/> Directions to East Renfrewshire Council (ERC) <input type="checkbox"/> Directions to NHS Greater Glasgow and Clyde (NHSGGC) <input checked="" type="checkbox"/> Directions to both ERC and NHSGGC		<input checked="" type="checkbox"/> Finance <input type="checkbox"/> Policy <input type="checkbox"/> Workforce <input type="checkbox"/> Equalities <input checked="" type="checkbox"/> Risk <input type="checkbox"/> Legal <input type="checkbox"/> Infrastructure <input type="checkbox"/> Fairer Scotland Duty

**EAST RENFREWSHIRE INTEGRATION JOINT BOARD**

**31 JANUARY 2024**

**Report by Chief Financial Officer**

**REVENUE BUDGET MONITORING REPORT 2023/24**

**PURPOSE OF REPORT**

1. To advise the Integration Joint Board of the projected outturn position of the 2023/24 revenue budget. This projection is based on ledger information as at 31<sup>st</sup> January 2024 and allowing for latest intelligence.

**RECOMMENDATIONS**

2. The Integration Joint Board is asked to note:
  - note the projected outturn for the 2023/24 revenue budget
  - note that the Chief Officer and her management team continue to work on actions to mitigate cost pressures in the current year
  - note that East Renfrewshire Council has indicated support to the IJB for social care cost pressures on a non-recurring basis this financial year
  - note that East Renfrewshire Council has allocated a further £0.758 million non-recurring Covid reserve funding to the IJB this this financial year
  - approve the release the £0.327 million earmarked reserves identified to support financial recovery
  - approve the budget virement requested within the report

**BACKGROUND**

3. This report is part of the regular reporting cycle for ensuring that the HSCP financial governance arrangements are maintained. This is the fourth report for the financial year 2023/24 and provides the projected outturn for the year based on our latest information recognising we remain in a very challenging financial position.
4. The projected outturn shows a potential overspend for the year of £5.563 million, however this is before the additional Covid funding from the Council of £0.687 million and the remaining earmarked reserves of £0.327 million are factored in. This means the deficit reduces to £4.549 million, based on current costs.
5. Whilst this is a significant increase compared to the £2.998 million included in the November report to the IJB, board members will recall the update provided on the day advising that the position had worsened given the risks on the deliverability of the existing supporting people saving and the latest prescribing data. The IJB agreed to move to substantial and critical criteria in order to reduce costs.
6. The current projected overspend is in line with the November update and as reflected in the financial recovery letter issued to our partners, following that meeting, setting out a potential deficit for the year of £5.8 million.

	ERC £m	NHS £m	Total £m
November 2023 projected deficit (per report)	1.8	1.2	3.0
Further Pressures:			
Prescribing (net of £0.1m local actions)		1.4	1.4
Savings at risk (supporting people £2.5m, other £0.1m) (after £1.7m reserves)	2.6		2.6
Less: reduction from criteria changes	(1.2)		(1.2)
Potential Overspend in Financial Recovery letter	3.2	2.6	5.8

7. This shows we have a modest reduction in projected costs of £0.2 million against the position as above, but we are still concerned around the deliverability of the supporting people change in criteria saving, from both the time and capacity to undertake reviews and the outcome of the assessments. This is the biggest priority for our management team across the HSCP.
8. The projected spend includes the assumption that £1.2 million of savings will still be achieved in the remainder of the current year from the move to substantial and critical care criteria. Any shortfall will increase the budget deficit meaning that options for alternative savings need to be identified and will result in significant reduction and / or cessation of services and we are exploring whether any “plan B” options can be identified.
9. The voluntary severance trawl, with our staff employed by the council, has been finalised for phase 1 and is part of the financial recovery cost reductions, effective from 1 April 2024.
10. The Chief Officer and her management team continue to work on actions to mitigate cost pressures in the current year and are engaged in ongoing discussions with both partners as part of the financial recovery process. As we last reported our council partner has agreed to support us on a non-recurring basis in the current year with our projected social care cost pressures and this will continue to be monitored and discussed throughout the year. This support is very much welcomed and this report reflects the additional Covid pressure funding agreed in November by the Council of £0.687 million, non-recurring, towards current service pressures, along with a further £0.025 million for specific projects.
11. The projected costs against budget will continue to be reviewed as the year progresses and every action taken where possible to contain or minimise the projected overspend, whilst continuing to deliver our significant savings, recovery and renewal programme. The current year pressures will also inform the ongoing budget preparation work for the coming financial year 2024/25.
12. A separate report on preparing for the 2024/25 budget and associated financial recovery is included on the agenda for the January meeting of the IJB.

## REPORT

13. The consolidated budget for 2023/24 and projected outturn position, shows a possible overspend of £5.563 million against a full year budget of £156.615 million (3.55%) after planned contributions from reserves. When we factor in the further £0.327 million to support financial recovery, along with the £0.687 million Covid support funding from the council our remaining deficit is £4.549 million.

14. The HSCP ongoing costs relating to Covid-19 now need to be contained within our budget as Scottish Government funding has now ceased, with exception of £2k to support PPE for carers. The additional support from the council is welcomed in the current financial year.
15. East Renfrewshire Council has agreed £0.853 million non-recurring funding to support Covid recovery activity (specific activity included in our projected costs) along with £0.687 million towards service pressures (supports our bottom line), with the detail included at Appendix 11.
16. The consolidated revenue budget and associated financial direction to our partners is detailed at Appendix 4. This is reported to each Integration Joint Board and reflects in year revisions to our funding contributions and associated directions.
17. The reserves position is set out at Appendix 5 and shows the planned in-year use of reserves, the committed spend to take forward and also shows the breakdown of the £327k the IJB is now being asked to release to mitigate current year costs.
18. The main projected operational variances are set out below, based on known care commitments, vacant posts and other supporting information from our financial systems as at 30<sup>th</sup> November 2023 and allows for the latest intelligence. The projected costs include minimal provision for further activity over the remainder of the year including the winter months and also include the impact of the savings at risk as discussed above.
19. **Children & Families and Public Protection £106k underspend;** this remains a result of vacancy management and maximising reserves, however is an increase in costs of £63k since we last reported, due to unachieved savings of £138k, increases in costs for residential care and unaccompanied asylum seekers offset in part by Scottish Government funding to support fostering rates.
20. This main variances to budget result from:
  - Management of vacancies and reserve/grant income of £561k which offsets:
  - The number of unaccompanied asylum seeker children continues to grow with more children requiring support early in the financial year with costs now estimated at £212k. This will change during the year depending on the number of children supported and the type of support required and / or available.
  - Residential care costs and fostering and adoption costs of £71k despite additional Scottish Government funding to support fostering rates.
  - Unachieved savings from our Supporting People Framework of £214k.
21. **Older Peoples Services £21k overspend;** this is a result of current care commitments and staff turnover within teams almost offsetting unachieved savings of £422k. This results in an increase in costs of £239k since the November, with the main variances to budget:
  - Residential and nursing care is underspent by £208k.
  - In localities directly purchased care at home and direct payment commitments show a projected overspend of £256k.
  - Staffing costs are underspent by £510k mainly from turnover and recruitment challenges, particularly within community based health services.
  - Unachieved savings from our Supporting People Framework cause a pressure of £422k.

22. **Physical & Sensory Disability £47k overspend;** is due to three factors:
- Care package projected costs are £37k overspend for the year.
  - The equipment contract costs have reduced, although still overspent by £59k.
  - Staffing turnover of £110k and additional income of £63k offsets the pressures above, however;
  - Unachieved savings from our Supporting People Framework cause a pressure of £108k.
23. This is an increase in projected costs of £97k since last reported mainly due to unachieved savings from the Supporting People Framework.
24. **Learning Disability Community Services £689k overspend;** is an increase in costs of £418k since last reported, of which £468k is unachieved Supporting People Framework savings. Care package costs are projected to overspend by £425k. This is offset in part by staffing vacancies and reduced supply costs within day services and within the Community Autism Team of £196k.
25. When we look at the collective position across the three adult care groups above (in paragraphs 20 to 22 this gives a projected overspend across Barrhead and Eastwood localities of £757k, primarily due to unachieved savings from our Supporting People Framework. The locality split is shown as an extract in Appendices 1 to 3 as an alternative presentation of these budgets and projected costs.
26. **Intensive Services £1,604k overspend;** the most significant cost pressures remain staffing and the purchase of care, with the main variances:
- Within Care at Home we are seeing continued capacity constraints along with increased demand and complexity (both purchased and the in-house service) of £1,213k – this is inclusive of the Covid support from the council of £250k.
  - Telecare Responders £258k overspend based on staffing and working patterns.
  - Bonnyton House £231k predominately staffing and agency costs to meet staff ratios.
  - Unachieved savings from our Supporting People Framework are now expected to cause a pressure of £183k.  
These overspends are offset in part by:
  - Staff turnover and vacancies within Day Services and the Home from Hospital team of £376k.
27. This is an increase of £196k since last reported mainly due to the unachieved savings from the Supporting People framework as the increased Care at Home costs are offset by Covid support funding provided by the council.
28. As part of the Savings, Recovery and Renewal programme the service redesign is considering staffing and purchased care, with a view to delivering savings as well as containing costs in the current year. The review of care packages has been prioritised to deliver savings.
29. **Learning Disability Inpatients £1,000k overspend;** this continues to reflect the ongoing pressure in the service around increased observation costs as staff ratios must be maintained within the inpatient units. The projected costs have increased by £300k since last reported based on the current patient dynamics.
30. Given this cost pressure relates to specific patient needs this will constantly change. Going forward this should be mitigated to some degree by the redesign of the service.

31. **Augmentative and Alternative Communication £nil variance;** it is anticipated that spend will remain on budget with the reserve in place available to smooth any developing pressures, recognising the national element of this services. It should be noted however the IJB may be asked to consider whether to release any of this reserve depending on action planning to contain costs as the year progresses.
32. **Recovery Services Mental Health & Addictions £128k underspend;** the projected turnover within Mental Health Adult Community Services remains projected at £150k. Care costs have reduced by £10k since last reported and this modest overspend in care is offset by turnover. The savings target within these services has been achieved.
33. **Prescribing £2,400k overspend:** reflects the update to last IJB based on the costs to date. This includes an assumption that the local savings programme will deliver £100k across a range of initiatives led by the service. There remain ongoing issues with reporting of prescribing data and we are working with colleagues across NHSGGC to better try and estimate the cost pressure.
34. **Finance & Resources £36k overspend;** this budget meets a number of HSCP wide costs, including charges for prior year NHS pension costs that should diminish over time. This is a reduction in costs of £38k since November.
35. **Primary Care Improvement Plan, Alcohol and Drugs (Local Improvement Fund) and Mental Health Action 15;** we still await confirmation from the Scottish Government of our current year allocation for Mental Health Action 15, with the others confirmed. The balance of funding we are projecting to carry forward within the Alcohol and Drugs funding remains ring-fenced to support a recovery hub premises.
36. Appendices 8 to 10 give a summarised position against each funding stream, showing the planned activity against each initiative. The reserves position for Mental Health Action 15 should become clearer once the Scottish Government confirm final allocation and / or agree use committed reserves.

#### Other

37. The projected outturn shows a potential overspend for the year of £5.563 million, however this is before the additional Covid funding from the Council of £0.687 million and the remaining earmarked reserves of £0.327 million are factored in. This means the deficit reduces to £4.549 million, based on current costs. The IJB is asked to approve the use of the £327k reserves previously identified that will support cost reduction in the current year.
38. We signalled in the 2021/22 budget that funding may not be sufficient to meet the increasing demand for services, recognising the historic level of savings delivered (£11.5 million on social between 2015/16 and 2022/23) and despite best efforts we may not be able to contain costs in the current financial year, with the complexities and demand of the post Covid landscape. We recognise the risk of deliverability of the Supporting People Framework, which will continue to be closely monitored.
39. We continue to look at every action where it could be possible to minimise cost pressures in year and are closely monitoring our Savings, Recovery and Renewal programme where progress is reported on all change activity. For ease of reference Appendix 6 in this report also provides a position statement on savings progress. This remains incredibly challenging in the current environment given the capacity constraints and focus on service delivery, recognising the tensions when trying to reduce costs and deliver change and savings.

40. The support cost charge from the council is currently projected to the budget agreed by the IJB and work is required to ensure the activity levels are reduced, based on prior years, to allow us to stay within that budget.
41. The budget virement requests are detailed at Appendix 7 and the IJB is asked to approve the adjustments relating to allocation of Scottish Government funding for foster payments and a realignment of resource transfer to reflect activity.
42. As with every year there are a number of variables such as pay award, inflation, demand, economic volatility, workforce capacity that will all impact on our cost projections and detailed monitoring will continue throughout the year and will also inform forward financial planning.

## **IMPLICATIONS OF THE PROPOSALS**

### Finance

43. The financial implications are detailed in the report. Financial recovery discussions remain ongoing with our partners.

### Risk

44. Delivering services and the savings recovery and renewal programme within existing funding is clearly our most significant risk and we remain concerned about the Supporting People Framework.
45. There are other risks which could impact on the current and future budget position; including:
  - Maintaining capacity to deliver our services
  - Achieving all existing savings on a recurring basis and containing the current projected overspend
  - The ongoing impact of Covid-19 on our partner providers and the care service market
  - Prescribing costs and the ability to accurately model and project the position, particularly in the early part of the year
  - Observation and Out of Area costs within Specialist Learning Disability Services
  - The impact of current year pressures on forward financial planning

## **DIRECTIONS**

46. The running budget reconciliation which forms part of financial directions to our partners is included at Appendix 4.
47. The report reflects a projected overspend of £5.563 million after the planned use of reserves. This decreases to £4.549 million after the additional Covid funding from the Council of £0.687 million and the remaining earmarked reserves of £0.327 million are factored in.
48. Financial recovery discussions are ongoing with both partners and the council's support for in-year pressures will be reflected for our final outturn.

## CONSULTATION AND PARTNERSHIP WORKING

49. The Chief Financial Officer has consulted with our partners.
50. This revenue budget reflects the consolidation of funding from both East Renfrewshire Council and NHS Greater Glasgow and Clyde. The HSCP operates under the Financial Regulations as approved by the Performance and Audit Committee on 18 December 2015 and reviewed March 2020; the latest review of the financial regulations and reserves policy were agreed by the Performance and Audit Committee on 22<sup>nd</sup> September 2022.

## CONCLUSIONS

51. The report reflects a projected overspend of £5.563 million after the planned use of reserves. This decreases to £4.549 million after the additional Covid funding from the Council of £0.687 million and the remaining earmarked reserves of £0.327 million are factored in.
52. Financial recovery discussions are ongoing with both partners and the Chief Officer and her management team continue to try and minimise the budget deficit in the current financial year. The support for in-year pressures from the council along with the additional Covid support funding is very much welcomed.

## RECOMMENDATIONS

53. The Integration Joint Board is asked to note:
  - note the projected outturn for the 2023/24 revenue budget
  - note that the Chief Officer and her management team continue to work on actions to mitigate cost pressures in the current year
  - note that East Renfrewshire Council has indicated support to the IJB for social care cost pressures on a non-recurring basis this financial year
  - note that East Renfrewshire Council has allocated a further £0.758 million non-recurring Covid reserve funding to the IJB this this financial year
  - approve the release the £0.327 million earmarked reserves identified to support financial recovery
  - approve the budget virement requested within the report

## REPORT AUTHOR

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16 January 2024

Chief Officer, IJB: Julie Murray

## BACKGROUND PAPERS

IJB 22.11.2023 – Revenue Budget Monitoring Report

[https://www.eastrenfrewshire.gov.uk/media/9732/Item-07-Revenue-Budget-Monitoring-Report/pdf/Item\\_07\\_-\\_Revenue\\_Budget\\_Monitoring\\_Report.pdf?m=638352192232100000](https://www.eastrenfrewshire.gov.uk/media/9732/Item-07-Revenue-Budget-Monitoring-Report/pdf/Item_07_-_Revenue_Budget_Monitoring_Report.pdf?m=638352192232100000)



East Renfrewshire HSCP - Revenue Budget Monitoring 2023/24  
 Consolidated Monitoring Report  
 Projected Outturn Position as at 30th November 2023

Objective Analysis	Full Year			
	Budget £'000	Projected Outturn £'000	Variance (Over) / Under £'000	Variance (Over) / Under %
Public Protection - Children & Families	13,656	13,592	64	0.47%
Public Protection - Criminal Justice	29	(13)	42	144.83%
Adult Localities Services				
Older People	25,476	25,497	(21)	(0.08%)
Physical & Sensory Disability	6,160	6,207	(47)	(0.76%)
Learning Disability - Community	18,899	19,588	(689)	(3.65%)
Learning Disability - Inpatients	10,087	11,087	(1,000)	(9.91%)
Augmentative and Alternative Communication	76	76	-	0.00%
Intensive Services	15,303	16,907	(1,604)	(10.48%)
Recovery Services - Mental Health	5,656	5,597	59	1.04%
Recovery Services - Addictions	1,783	1,714	69	3.87%
Family Health Services	30,550	30,550	-	0.00%
Prescribing	17,375	19,775	(2,400)	(13.81%)
Finance & Resources	11,565	11,601	(36)	(0.31%)
<b>Net Expenditure</b>	<b>156,615</b>	<b>162,178</b>	<b>(5,563)</b>	<b>(3.55%)</b>
<b>Contribution to / (from) Reserve</b>	<b>-</b>	<b>-</b>	<b>327</b>	<b>-</b>
<b>Net Expenditure</b>	<b>156,615</b>	<b>162,178</b>	<b>(5,236)</b>	

Projected overspend by Partner	£'000
Health	(2,647)
Social Care	(2,916)
Projected Deficit	<u>(5,563)</u>
To be funded by:	
Net Contribution To / From Reserves **	327
Funding from East Renfrewshire Council for ongoing COVID pressure	687
Financial Recovery Action Planning Required to balance budget	<u>4,549</u>
	<u>5,563</u>

\*\* will be reviewed as year progresses

**Additional information - Adult Localities**

Objective Analysis	Full Year			
	Budget £'000	Projected Outturn £'000	Variance (Over) / Under £'000	Variance (Over) / Under %
Localities Services - Barrhead	24,520	25,160	(640)	(2.61%)
Localities Services - Eastwood	25,500	25,617	(117)	(0.46%)
<b>Net Expenditure</b>	<b>50,020</b>	<b>50,777</b>	<b>(757)</b>	<b>(1.51%)</b>

## Council Monitoring Report

Projected Outturn Position as at 30th November 2023

Subjective Analysis	Full Year			
	Budget £'000	Projected Outturn £'000	Variance (Over) / Under £'000	Variance (Over) / Under %
Employee Costs	28,483	29,296	(813)	(2.85%)
Property Costs	976	969	7	0.72%
Supplies & Services	2,837	3,946	(1,109)	(39.09%)
Transport Costs	305	337	(32)	(10.49%)
Third Party Payments	50,396	54,631	(4,235)	(8.40%)
Support Services	2,455	2,455	-	0.00%
Income	(18,181)	(21,447)	3,266	(17.96%)
<b>Net Expenditure</b>	<b>67,271</b>	<b>70,187</b>	<b>(2,916)</b>	<b>(4.33%)</b>

<b>Contribution to / (from) Reserve</b>	-		<b>0</b>	-
<b>Net Expenditure</b>	<b>67,271</b>	<b>70,187</b>	<b>(2,916)</b>	-

Objective Analysis	Full Year			
	Budget £'000	Projected Outturn £'000	Variance (Over) / Under £'000	Variance (Over) / Under %
Public Protection - Children & Families	10,780	10,763	17	0.16%
Public Protection - Criminal Justice	29	(13)	42	144.83%
Adult Localities Services				
Older People	15,487	15,918	(431)	(2.78%)
Physical & Sensory Disability	5,400	5,447	(47)	(0.87%)
Learning Disability	12,558	13,343	(785)	(6.25%)
Intensive Services	14,188	15,792	(1,604)	(11.31%)
Recovery Services - Mental Health	1,943	1,984	(41)	(2.11%)
Recovery Services - Addictions	267	248	19	7.12%
Finance & Resources	6,620	6,706	(86)	(1.30%)
<b>Net Expenditure</b>	<b>67,272</b>	<b>70,188</b>	<b>(2,916)</b>	<b>(4.34%)</b>

<b>Contribution to / (from) Reserve</b>	-		<b>109</b>	
<b>Net Expenditure</b>	<b>67,272</b>	<b>70,188</b>	<b>(2,807)</b>	

## Notes

1. Projected Deficit	(2,916)
To be funded by:	
Net Contribution To / From Reserves **	109
Funding from East Renfrewshire Council for ongoing COVID pressure	687
Financial Recovery Action Planning Required to balance budget	2,120
	2,916

\*\* will be reviewed as year progresses

2. In addition to the above addition spending from reserves is detailed at Appendix 5

3. Additional information - Adult Localities

Objective Analysis	Full Year			
	Budget £'000	Projected Outturn £'000	Variance (Over) / Under £'000	Variance (Over) / Under %
Localities Services - Barrhead	17,414	18,126	(712)	(4.09%)
Localities Services - Eastwood	16,031	16,582	(551)	(3.44%)
<b>Net Expenditure</b>	<b>33,445</b>	<b>34,708</b>	<b>(1,263)</b>	<b>(3.78%)</b>

## NHS Monitoring Report

Projected Outturn Position as at 30th November 2023

Subjective Analysis	Full Year			
	Full Year Budget £'000	Projected Outturn £'000	Variance (Over) / Under £'000	Variance (Over) / Under %
Employee Costs	22,780	23,027	(247)	(1.08%)
Non-pay Expenditure	57,361	59,761	(2,400)	(4.18%)
Resource Transfer/Social Care Fund	12,146	12,146	-	0.00%
Income	(2,944)	(2,944)	-	0.00%
<b>Net Expenditure</b>	<b>89,343</b>	<b>91,990</b>	<b>(2,647)</b>	<b>(2.96%)</b>

<b>Contribution to / (from) Reserve</b>	-	-	-	-
<b>Net Expenditure</b>	<b>89,343</b>	<b>91,990</b>	<b>(2,647)</b>	<b>-</b>

Objective Analysis	Full Year			
	Full Year Budget £'000	Projected Outturn £'000	Variance (Over) / Under £'000	Variance (Over) / Under %
Childrens Services	2,769	2,722	47	1.70%
Adult Community Services	6,443	6,033	410	6.36%
Learning Disability - Community	1,206	1,110	96	7.96%
Learning Disability - Inpatients	10,087	11,087	(1,000)	(9.91%)
Augmentative and Alternative Communication	76	76	-	0.00%
Family Health Services	30,550	30,550	-	0.00%
Prescribing	17,375	19,775	(2,400)	(13.81%)
Recovery Services - Mental Health	2,903	2,803	100	3.44%
Recovery Services - Addictions	944	894	50	5.30%
Finance & Resources	4,613	4,563	50	1.08%
Resource Transfer	12,377	12,377	-	0.00%
<b>Net Expenditure</b>	<b>89,343</b>	<b>91,990</b>	<b>(2,647)</b>	<b>(2.96%)</b>

<b>Contribution to / (from) Reserve</b>	-	-	218	0.00%
<b>Net Expenditure</b>	<b>89,343</b>	<b>91,990</b>	<b>(2,429)</b>	<b>0.00%</b>

## Notes

Resource Transfer and the Social Care Fund is re allocated across client groups at the consolidated level as detailed below:

	£'000
Public Protection - Children & Families	107
Adult Localities Services	
Older People	3,546
Physical & Sensory Disability	760
Learning Disability	5,135
Intensive Services	1,115
Recovery Services - Mental Health	810
Recovery Services - Addictions	572
Finance & Resources	332
	<u>12,377</u>

Localities Resource Transfer - alternative presentation

Localities Services - Barrhead	5,359
Localities Services - Eastwood	4,081

1. Projected Deficit	<u>(2,647)</u>
To be funded by:	
Net Contribution To / From Reserves **	218
Financial Recovery Action Planning Required to balance budget	<u>2,429</u>
	<u>2,647</u>

\*\* will be reviewed as year progresses

In addition to the above addition spending from reserves is detailed at Appendix 5

Additional information - Adult Localities

Objective Analysis	Full Year			
	Full Year Budget £'000	Projected Outturn £'000	Variance (Over) / Under £'000	Variance (Over) / Under %
Localities Services - Barrhead	1,747	1,675	72	4.12%
Localities Services - Eastwood	5,386	4,952	434	8.06%
<b>Net Expenditure</b>	<b>7,133</b>	<b>6,627</b>	<b>3,153</b>	<b>44.20%</b>

East Renfrewshire HSCP - Revenue Budget Monitoring 2023/24  
Budget Reconciliation & Directions

## Appendix 4

	NHS £000	ERC £000	IJB £000	Total £000
Funding Sources to the IJB				
1 Expected Revenue Budget Contributions per March 2022 Budget	82,051	67,040		149,091
Funding confirmed in opening budget but not received at March 23	(1,023)			(1,023)
Criminal Justice Grant Funded Expenditure		616		616
Criminal Justice Grant		(616)		(616)
CAMHS - transfer to East Dun HSCP	(745)			(745)
Prescribing - including Apremilast and share of £20m	224			224
Health Visitors - Central Training Allocations	36			36
Pay Award	3,015			3,015
Winter Planning Band 2-4 Funding	553			553
ADP - Programme for Govt	268			268
ADP - Tranche 1	416			416
District Nursing	184			184
PCIP - Tranche 1	2,087			2,087
Winter Planning - Multi Disciplinary Team Funding	608			608
School Nursing	188			188
Learning Disability Inpatients Services	10			10
District Nursing Adjustment	(66)			(66)
Thrive under 5 Funding	49			49
Smoking Prevention	43			43
Open University Funding	15			15
Care Home Funding - Lead Nurse	57			57
Care Home Support Winter Challenge Funds	32			32
COVID - Vaccination Funding	197			197
FHS GMS Adjustment	1,144			1,144
Scottish Recommended Allowance - Fostering and Adoption		232		232
	89,343	67,272	-	156,615
Funding Outwith Revenue Contribution				
* Housing Aids & Adaptations		438		438
Set Aside Hospital Services Opening Budget	28,430			28,430
Total IJB Resources	<b>117,773</b>	<b>67,710</b>	-	<b>185,483</b>
Directions to Partners				
Revenue Budget	89,343	67,272	-	156,615
Criminal Justice Grant Funded Expenditure		616		616
Criminal Justice Grant		(616)		(616)
1 Resource Transfer & Recharges	(12,146)	12,146		0
Carers Information	58	(58)		0
	77,255	79,360	-	156,615
* Housing Aids & Adaptations		438		438
Set Aside Hospital Services Budget	28,430			28,430
	<b>105,685</b>	<b>79,798</b>	-	<b>185,483</b>

\* includes capital spend

1. Includes Social Care Fund, Cross Charges, COVID funding adjustments as well as historic resource transfer etc.

Earmarked Reserves	Reserve Brought Fwd from 2022/23 £'000	2023/24 Projected spend £'000	2023/24 Potential Release £'000	Projected balance 31/03/24 £'000	comment
<b>Scottish Government Funding</b>					
Mental Health - Action 15	118	118		0	Based on latest projections, NB awaiting confirmation of current year allocation
Alcohol & Drugs Partnership	851	362		489	Projected balance is funding for recovery hub premises and work is ongoing
Primary Care Improvement Fund	628	628		0	Based on latest projected costs, however subject to SG revision to allocation
Primary Care Transformation Fund	33	33		0	
GP Premises Fund	181	130		51	
COVID-19	2	2		0	To support Carers PPE
<b>Scottish Government Funding</b>	<b>1,813</b>	<b>1,273</b>	<b>0</b>	<b>540</b>	
<b>Bridging Finance</b>					
Budget Savings Reserve	1,434	1,434		0	Will be required to cover savings at risk
In Year Pressures Reserve	165	165		0	Will be required to cover savings at risk
Current Year Projected Overspend	0	0		0	
Prescribing	0			0	
<b>Bridging Finance</b>	<b>1,599</b>	<b>1,599</b>	<b>0</b>	<b>0</b>	
<b>Children &amp; Families</b>					
Health Visitors	82	82		0	
School Counselling	382	364	18	0	Projected costs for Family wellbeing project Year 2, request release of balance
Mental Health Recovery Monies	473	473		0	Committed for system wide programme and local care cost
Trauma Informed Practice	100	40		60	Year 2 funding committed for post
Whole Family Wellbeing	466	466		0	Assumed fully committed, being reviewed
Unaccompanied Asylum Seekers Childrer	9	9		0	
<b>Children &amp; Families</b>	<b>1,512</b>	<b>1,434</b>	<b>18</b>	<b>60</b>	
<b>Transitional Funding</b>					
Community Living Change Fund	254	254		0	To support redesign programme
<b>Total Transitional Funding</b>	<b>254</b>	<b>254</b>	<b>0</b>	<b>0</b>	
<b>Adult Services</b>					
Mental Health Officer/Community Psychology/Capacity	61		61	0	Release requested to mitigate cost pressures
Care Home Oversight Support and Lead Nurse	77		77	0	Release requested to mitigate cost pressures
Augmentative & Alternative Communication	104			104	
Addictions - Residential Rehabilitation	37		37	0	Release requested to mitigate cost pressures
Learning Disability Health Checks	32	32		0	
Armed Forces Covenant	13	13		0	
Wellbeing	45	45		0	
Dementia Support	109	109		0	Assumed fully committed, being reviewed
Telecare Fire Safety	18	18		0	
<b>Total Adult Services</b>	<b>496</b>	<b>217</b>	<b>175</b>	<b>104</b>	
<b>Repairs &amp; Renewals</b>					
Repairs, Furniture and Specialist Equipment	100		50	50	Request release £50k to offset pressures - limits development opportunities
<b>Repairs &amp; Renewals</b>	<b>100</b>	<b>0</b>	<b>50</b>	<b>50</b>	
<b>Total All Earmarked Reserves</b>	<b>5,774</b>	<b>4,777</b>	<b>243</b>	<b>754</b>	
<b>General Reserves</b>					
East Renfrewshire Council	109	100	9	0	Request release of balance to mitigate cost pressures
NHSGCC	163	88	75	0	Request release of balance to mitigate cost pressures
<b>Total General Reserves</b>	<b>272</b>	<b>188</b>	<b>84</b>	<b>0</b>	
<b>Grand Total All Reserves</b>	<b>6,046</b>	<b>4,965</b>	<b>327</b>	<b>754</b>	

East Renfrewshire HSCP - Revenue Budget Monitoring 2023/24  
Analysis of Savings Delivery

Appendix 6

Saving	Funding Gap £'000	Savings Achieved £'000	Remaining Balance		Not Achieved £'000	Saving Achieved 24-25 £'000	Balance of Saving not achieved
			On Track £'000	Funded from Reserves £'000			
<b>HSCP Wide Savings</b>							
Review of Commissioned Services	225	82	-	-	143		143
Further Funding Expected on Pay Award	261	261	-	-			-
Living Wage on Pay element of contracts rate only	148	148	-	-			-
Limit Use of Support Services to contain cost pressures	219	-	219	-			-
Supporting People Framework to Moderate	3,400	183	417	694	1,950		2,644
Structure Proposals	928	435	0	493		121	372
Allocate Turnover Target 1%	200	200	-	-			-
<b>Learning Disabilities</b>							
Sleepover Review	150	150	-	-			-
Supported Living	130	19	111	-			-
<b>Intensive Services</b>							
Efficiencies from Care at Home Scheduling System	75	5	-	70			70
Care at Home Review Phase 2	200	-	-	200			200
Review of Vacant posts and Associated running costs	179	90	-	107			107
<b>Children and Families</b>							
Review of Connor Road funding	60	-	-	60		60	-
Family Functional Therapy	52	52	-	-			-
Residential Costs - review of Care options	226	219	7	-			-
Health Improvement - review of service to rationalise	50	-	-	50			50
Trauma Informed Practice	-	50	-	-			-
<b>Finance and Resources</b>							
Review of Structure and Processes	296	296	-	-			-
<b>Localities</b>							
Rehab Team Mini Restructure	61	-	-	-			-
Eastwood localities Team - Mini Restructure	53	-	-	-			-
Review of Vacant posts and associated Running Costs	28	150	-	-			-
District Nursing - Vacancy Management	50	-	-	50		50	-
New - Tech Enabled Care	-	80	-	-			-
<b>Mental Health and Addictions</b>							
Review of Structure and Care Packages	65	65	-	-			-
<b>Sub Total</b>	<b>7,056</b>	<b>2,485</b>	<b>754</b>	<b>1,724</b>	<b>2,093</b>	<b>231</b>	<b>3,586</b>

35% 11% 24% 30%

New Tagret added:

<b>Supporting People Framework to Substantial &amp; Critical</b>			<b>1,200</b>		<b>(1,200)</b>		
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<b>Revised Total</b>	<b>7,056</b>	<b>2,485</b>	<b>1,954</b>	<b>1,724</b>	<b>893</b>	<b>231</b>	<b>3,586</b>
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35% 28% 24% 13%

Subjective Analysis	2023/24 Budget Virement					
	Ledger as Last Reported £'000	(1) £	(2) £	(3) £	2023/24 Budget £'000	Total Virement £'000
Employee Costs	28,372		111		28,483	111
Property Costs	975				975	-
Supplies & Services	2,637		200		2,837	200
Transport Costs	307		(2)		305	(2)
Third Party Payments	50,050	232	114		50,396	346
Support Services	2,456				2,456	-
Income	(17,757)		(423)		(18,180)	(423)
<b>Net Expenditure</b>	<b>67,040</b>	<b>232</b>	<b>-</b>	<b>-</b>	<b>67,272</b>	<b>232</b>

Objective Analysis	2023/24 Budget Virement					
	Ledger as Last Reported £'000	(1) £	(2) £	(3) £	2023/24 Budget £'000	Total Virement £'000
Public Protection - Children & Families	10,460	232	88		10,780	320
Public Protection - Criminal Justice	29				29	-
Adult Health - Localities Services						
Older People	15,544		(57)		15,487	(57)
Physical & Sensory Disability	5,302		98		5,400	98
Learning Disability	12,528		30		12,558	30
Adult Health - Intensive Services	14,232		(44)		14,188	(44)
Recovery Services - Mental Health	1,985		(42)		1,943	(42)
Recovery Services - Addictions	263		4		267	4
Finance & Resources	6,697		(77)		6,620	(77)
<b>Net Expenditure</b>	<b>67,040</b>	<b>232</b>	<b>-</b>	<b>-</b>	<b>67,272</b>	<b>232</b>

Note:

1. Additional funding - Scottish Recommended Allowance - Fostering and Adoption
2. Reallocation of Resource Transfer income and expenditure to realign to activity

Service	Budgeted Programme Costs	Projected Programme Costs	Projected Variance
	£'000	£'000	£'000
Pharmacy Support	1,064	1,064	-
Advanced Nurse Practitioners - Urgent Care	183	183	-
Advanced Practice Physiotherapists	204	204	-
Community Mental Health Link Workers	85	85	-
Community Healthcare Assistants / Treatment Room *	589	589	-
Vaccine Transformation Programme	628	628	-
Programme Support / CQL / Pharmacy First	241	241	-
<b>Total Cost</b>	<b>2,994</b>	<b>2,994</b>	-
<b>Funded by:</b>			
In Year Maximum Funding Allocation		2,366	
Reserve - Opening Balance		628	
<b>Total Funding</b>		<b>2,994</b>	
Surplus/Deficit		-	



Service	Budgeted Programme Costs	Projected Programme Costs	Projected Variance
	£'000	£'000	£'000
Staff costs - Board wide including Nursing, Psychology and Occupational Therapy	169	169	0
Programme Support	29	29	0
Staff Costs East Ren HSCP including Psychology, CAMHS and Occupational Therapy	207	207	0
Other - Peer Support Delivery Service	47	47	0
<b>Total Cost</b>	<b>452</b>	<b>452</b>	<b>0</b>
<b>Funded by:</b>			
In Year Funding (2023/24 tbc - based on prior year allocation)		334	
Reserve - Opening Balance		118	
<b>Total Funding</b>		<b>452</b>	
Potential reserve at year end based on current projection		0	

NB Plans to utilise existing reserve being refined, subject to any SG conditions, most prudent assumption until confirmed

<b>Service</b>	<b>Budgeted Programme Costs £'000</b>	<b>Projected Programme Costs £'000</b>	<b>Projected Variance £'000</b>
Additional Peer support and Staffing Provision	317	317	-
Additional National Mission uplift	207	207	-
Residential Rehab	189	189	-
MAT Standards	173	173	-
Whole family Approach framework	55	55	-
Lived and Living Experience	24	24	-
Taskforce Response Fund	84	84	-
Alcohol Brief Interventions	25	25	-
Early Intervention - Youth Outreach	30	30	-
Whole Family Support Activity	45	45	-
Recovery Hub Development	500	11	489
<b>Total Cost</b>	<b>1,649</b>	<b>1,160</b>	<b>489</b>
<b>Funded by:</b>			
In Year Maximum Funding		798	
Reserve - Opening Balance		851	
<b>Total Funding</b>		<b>1,649</b>	
Potential reserve at year end based on current projection		489	

NB Plans to utilise existing reserve are in place and include committed spend for future years - also includes Programme for Government spend which has now been baselined

**East Renfrewshire HSCP - Revenue Budget Monitoring 2023/24**  
**ERC Funded Covid Reserves Activity**

Appendix 11

<b>Initiative</b>	<b>2023/24 Funding £'000</b>	<b>Comments</b>
Development of Talking Points	48	Post recruited
Recovery Café spaces in health centres	10	In place
HSCP winter staff to cover frontline service continuity	250	In place
Go-bags for Domestic Abuse Survivors	2	In place
Support to Fostering households	11	Payments to support foster carers have been made
HSCP staff wellbeing programme - extension	24	Programme in place to March 2024, post extended per November funding
Justice Social Work - reducing backlog of Unpaid Work Hours	5	In place
Justice Social Work - materials for Unpaid Work Service to increase output	4	In place
Carers Support	80	Post recruited and other supports in place
Housing Support for young people	43	Post recruited
Mental Health Support for Children	50	In place
Healthier Minds Hub - Children & Young People's Mental & Emotional Wellbeing	74	In place
Recovery support for Domestic Abuse Survivors	37	Programme being delivered with partner
Additional Support Needs - transition to adulthood	91	Posts recruited
Young people affected by drugs and alcohol	43	Post recruited
Social Work support to vulnerable families at Christmas	10	In place
Further funding agreed by East Renfrewshire Council in November 2023:		
Extend wellbeing officer post to March 2024	15	In place
Social Work support to vulnerable families at Christmas	2	Increased from £10k to £12k, in place
Aftercare christmas support for young people	9	In place
Childrens Occupational Therapist post for 12 months	45	Recruitment process started
<b>Sub Total Initiatives</b>	<b>853</b>	
Wider Covid pressure support	687	To support ongoing challenges across services
<b>Total All Funding</b>	<b>1,540</b>	

Please note that where project activity or recruitment started later in the year the balance will be taken forward in order to deliver the full programme.

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<b>Meeting of East Renfrewshire Health and Social Care Partnership</b>	Integration Joint Board	
<b>Held on</b>	31 January 2024	
<b>Agenda Item</b>	9	
<b>Title</b>	HSCP Savings, Recovery and Renewal Programme	
<b>Summary</b>		
The purpose of this report is to update the Integration Joint Board on the HSCP Savings, Recovery and Renewal Programme.		
<b>Presented by</b>	Lesley Bairden, Head of Finance & Resources (Chief Financial Officer)	
<b>Action Required</b>		
Members of the Integration Joint Board are asked to note and comment on the progress of the HSCP Savings, Recovery and Renewal Programme.		
<b>Directions</b>	<b>Implications</b>	
<input checked="" type="checkbox"/> No Directions Required	<input checked="" type="checkbox"/> Finance	<input checked="" type="checkbox"/> Risk
<input type="checkbox"/> Directions to East Renfrewshire Council (ERC)	<input type="checkbox"/> Policy	<input type="checkbox"/> Legal
<input type="checkbox"/> Directions to NHS Greater Glasgow and Clyde (NHSGGC)	<input type="checkbox"/> Workforce	<input type="checkbox"/> Infrastructure
<input type="checkbox"/> Directions to both ERC and NHSGGC	<input type="checkbox"/> Equalities	<input type="checkbox"/> Fairer Scotland Duty

**EAST RENFREWSHIRE INTEGRATION JOINT BOARD**

**31 January 2024**

**Report by Chief Officer**

**HSCP SAVINGS, RECOVERY AND RENEWAL PROGRAMME**

**PURPOSE OF REPORT**

1. The purpose of this report is to update the Integration Joint Board on the HSCP Savings, Recovery and Renewal Programme.

**RECOMMENDATION**

2. It is recommended that the Integration Joint Board note and comment on the progress of the HSCP Savings, Recovery and Renewal Programme.

**BACKGROUND**

3. The Savings, Recovery and Renewal programme provides information to the IJB across three levels:
  - Strategic: projects that cover HSCP wide activity
  - Service: projects specific to one area/service
  - Operational Deliveries: activities at a service level not related to significant change.

**REPORT**

4. Since the last report to the IJB in November the programme has continued to progress. Appendix 1 provides a detailed update on individual projects. By exception the updates are detailed below.
5. **Supporting People Framework** – as agreed by the IJB in November 2023 the threshold has increased to substantial/critical levels. Case reviews are ongoing with progress being closely monitored and this is a key priority for the Senior Management Team. The project status has been changed to red to reflect the significant work required to deliver the required savings in this financial year and to meet the full recurring saving required for 2024/25.
6. As detailed in the revenue monitoring and financial recovery reports we remain concerned about the capacity and deliverability of this saving and are exploring whether we can identify any “plan B” options.
7. **Case Recording Replacement System project** – following the conclusion of the tender evaluation process a preferred bidder has been identified and the formal process to award the successful bidder is in progress. Detailed planning for the implementation stage of the project is underway.
8. **Care at Home Review Phase 2** – this project continues to progress however due to the ongoing recruitment challenges it is recognised that the current timelines and deliverables of the project will be impacted. There remains continued focus on

delivering key workstream activities including frontline staff recruitment and external provider engagement. The weekly meetings remain in place to review progress.

9. **Income Generation** - the short life working group will continue to consider income generation opportunities for the HSCP. The group last met on 4 December 2023 and further modelling work continues. This will also inform possible options for the IJB to consider as part of the budget considerations for 2024/25 in March.
10. **Planned Projects** –the brief for scoping telephony works that was due to be considered in November was delayed and will now be taken to the Programme Board in January 2024. A new project on fleet vehicles will be scoped out and will consider lease versus purchase, including electric vehicles as part of options to identify budget savings. This will be added as a new project once the scoping work is complete.
11. **Financial Implications** - the savings target for 2023/24 is £7.056 million, Appendix 2 provides a breakdown of the detail showing progress by saving. As previously agreed a broad de-minimus of £50k has been used so that smaller savings are amalgamated. The new saving reflecting the change to substantial and critical criteria has been added following the IJB decision in November 2023.
12. The appendix can be summarised as follows:

Savings Progress	£ million	%
Achieved to date	2.485	35%
On track to be achieved – original	0.754	11%
On track to be achieved – revised criteria	1.200	17%
At risk of slippage / shortfall	2.617	37%
Total	7.056	

13. The at risk of slippage / shortfall has increased from 23% to 37% however this assumes full delivery of the required £1.2 million savings from criteria changes, we will continue to assess the deliverability of the saving over the coming weeks.
14. The savings achieved have increased by 1% (£0.054m) since last reported.
15. As previously reported we expect the use £1.724 million reserves to mitigate some non-achievement in the current year.

## CONSULTATION AND PARTNERSHIP WORKING

16. Representation from staff, those who use our services, staffside representatives and partner providers will continue to be invited onto projects as appropriate.

## IMPLICATIONS OF THE PROPOSALS

### Finance

17. The 2023/24 savings targets and associated progress will be reported to future meetings as part of this programme.

### Equalities

18. We will undertake Equality, Fairness and Rights Impact Assessments where required.

Risk

19. There is a significant financial risk should the full savings not be achieved on a recurring basis by 31 March 2024. There remains a capacity challenge to support change and savings delivery, particularly the Supporting People Framework, while maintaining operational service delivery and associated demands.

Workforce

20. There are no specific workforce issues arising as result of this paper and savings relating to staffing are discussed through our HR Sub-Group, Joint Staff Forum and other appropriate governance.

21. There are no legal, policy or infrastructure implications arising as a result of this paper.

**DIRECTIONS**

22. There are no directions arising from this report.

**CONCLUSIONS**

23. The Savings, Recovery and Renewal Programme is continuing to progress and will be reported to each meeting of the IJB.

**RECOMMENDATIONS**

24. It is recommended that the Integration Joint Board note and comment on the progress of the HSCP Savings, Recovery and Renewal Programme

**REPORT AUTHOR AND PERSON TO CONTACT**

Lesley Bairden, Head of Finance & Resources (Chief Financial Officer)

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0141 451 0749

Chief Officer, IJB: Julie Murray

15 January 2024

**BACKGROUND PAPERS**

IJB Paper: 27 September 2023 – Item 8 Savings, Recovery and Renewal Programme

[https://www.eastrenfrewshire.gov.uk/media/9528/IJB-Item-08-27-September-2023/pdf/IJB\\_Item\\_08\\_-\\_27\\_September\\_2023.pdf?m=638303735211430000](https://www.eastrenfrewshire.gov.uk/media/9528/IJB-Item-08-27-September-2023/pdf/IJB_Item_08_-_27_September_2023.pdf?m=638303735211430000)

[\\_27\\_September\\_2023.pdf?m=638303735211430000](https://www.eastrenfrewshire.gov.uk/media/9528/IJB-Item-08-27-September-2023/pdf/IJB_Item_08_-_27_September_2023.pdf?m=638303735211430000)



## Appendix 1 - Project Timelines and Summaries as at 21 December 2023

<b>LIVE PROJECTS</b>				
<b>Project</b>	<b>Project Owner</b>	<b>Project Start Date</b>	<b>Project End Date</b>	<b>RAG Status</b>
L1: Learning Disability Development	Tom Kelly	August 2022	December 2024	<b>AMBER</b>
L2: Case Recording System (CareFirst) Replacement	Lesley Bairden	April 2022	October 2024	<b>GREEN</b>
L3: Information Governance and Data Cleansing	Raymond Prior	November 2022	October 2024	<b>GREEN</b>
L4: Review of Commissioned Services	Margaret Phelps	November 2022	March 2025	<b>GREEN</b>
L5: Care at Home Review Phase 2	Julie Murray	July 2023	June 2024	<b>AMBER</b>
L6: Supporting People Framework	Tom Kelly, Lee McLaughlin, Raymond Prior	April 2023	March 2024	<b>RED</b>

<b>PLANNED PROJECTS</b>
There are currently no planned projects

<b>FUTURE PROJECTS</b>				
<b>Project</b>	<b>Project owner</b>	<b>Expected Project Start Date</b>	<b>Project End Date</b>	<b>RAG Status</b>
F1: Review of Telephony Systems	Lesley Bairden	January 2024	August 2024	
F2: Review of Fleet Vehicles	Lesley Bairden	January 2024	TBC	

## LIVE PROJECTS SUMMARY

<b>Project Title</b>	<b>L1 – Learning Disability Development</b>
<b>Project Owner</b>	Tom Kelly
<b>Purpose - what do we want to achieve</b>	<ul style="list-style-type: none"> <li>To undertake an extensive review of our current approach to supporting those who use our Learning Disability support services and introduce a modern integrated service that puts the needs of those who use our services at the heart of what we do, whilst identifying viable and sustainable options for creating efficiencies in service provision.</li> <li>The project will encompass a review of the overnight support service ('sleepovers'), facilitating a fresh assessment of overall support needs, and looking at ways of utilising modern technology to provide personalised support alternatives, introducing less intrusive and more efficient methods of meeting assessed need and managing more successful and fulfilling outcomes.</li> <li>The project will also build upon the work carried out in relation to Phase 1 of the remobilisation of day opportunities following the enforced COVID-19 service suspension of these services. The review will provide the opportunity to assess how the reintroduction of both building based and outreach services can be individualised and provide a better fit with a modernised integrated Learning Disability support service.</li> </ul>
<b>Expected Outcomes – Non financial</b>	<ul style="list-style-type: none"> <li>Ensuring those that who use our learning disability service are supported and encouraged to thrive with enhanced day opportunities</li> <li>The creation of a modern, integrated and efficient support service</li> </ul>
<b>Expected Outcomes – financial</b>	<p>Indicative savings are:</p> <ul style="list-style-type: none"> <li>2022/23: £200k (-£29k not achieved)</li> <li>2023/24: £300k (£208k achieved to date)</li> <li>2024/25: £100k (£46k additional full year effect)</li> </ul>
<b>Current Update</b>	<ul style="list-style-type: none"> <li>Option 1 reviews continue. £95,541 received in 23/24.</li> <li>19% of reviews are completed. 41 reviews currently allocated to staff.</li> <li>Monitoring reports continue to be received from SOL.</li> <li>Information on equipment at each client's home and responder service has been obtained from SOL.</li> <li>Delay in progress for overnight support reviews due to lack of resources within SOL and risk assessment charge now being approved. Consultation underway regarding the SOL framework rates.</li> <li>Training for pool plant operators is underway and plans to agree how this will operate are to be established.</li> <li>Room booking facility for both Barrhead and Thornliebank centres now on HSCP room booking system.</li> </ul>
<b>Next Steps</b>	<ul style="list-style-type: none"> <li>Reviews will continue to be undertaken</li> <li>Training continues for Community Pathways Team for SSSC registrations</li> <li>Ongoing liaison with partner provider regarding monitoring and future use</li> <li>Room bookings at centres - developing terms and conditions of use.</li> </ul>
<b>RAG Status</b>	<b>AMBER</b>
<b>Timeline</b>	18 August 2022 – 16 December 2024

<b>Project Title</b>	<b>L2 - Case Recording System Replacement</b>
<b>Project Owner</b>	Lesley Bairden
<b>Purpose - what do we want to achieve</b>	<ul style="list-style-type: none"> <li>• The HSCP Case Management solution is the mechanism by which HSCP staff record and capture information relating to those who use our services.</li> <li>• To procure and implement a new comprehensive case management solution for the recording and management of service user information and case recording within all aspects of Social Work managed by the HSCP</li> </ul>
<b>Expected Outcomes – Non financial</b>	<ul style="list-style-type: none"> <li>• A system that can be accessed and updated from anywhere on any device</li> <li>• Lean and person-centred recording processes</li> <li>• Data as an asset- using data available to drive future service improvement</li> </ul>
<b>Expected Outcomes – financial</b>	<p>Indicative savings are:</p> <ul style="list-style-type: none"> <li>• 2024/25: £75k</li> <li>• 2025/26: £75k</li> </ul>
<b>Current Update</b>	<ul style="list-style-type: none"> <li>• Evaluation of both supplier bids received from ITT closed on 31 October 2023 – Timescale for evaluation over-ran by 8 weeks – due to amount of work involved and resultant staff time commitment to this work.</li> <li>• Tender evaluation exercise has concluded with a preferred bidder identified. Contract award process underway.</li> <li>• Project Board met in early January and approved a project timescale extension. Project status changed from amber to green to reflect new timescales.</li> <li>• Have now secured a 'bulk deletion' script from existing providers (OLM) to delete all records on CareFirst system no longer required in line with ERC data retention policy and GDPR</li> <li>• Liaison work continuing with BO&amp;P colleagues with regards to the simultaneous deletion of related obsolete data contained within the Information at Work records management system.</li> <li>• Process Mapping work has now moved onto 'to-be' processes.</li> <li>• Commenced discussions on optimum way to fill Systems Implementation posts in Project Team Recruitment Phase 2 – proposal will be put to next Project Board meeting as outlined above.</li> </ul>
<b>Next Steps</b>	<ul style="list-style-type: none"> <li>• Formal contract award to preferred bidder.</li> <li>• Implementation work will follow on from this in conjunction with preferred supplier, who will be invited to join Project Board as Senior Supplier.</li> <li>• Conclude Project Team Recruitment Phase 2 in relation to planned System Implementation resource.</li> </ul>
<b>RAG</b>	<b>GREEN</b>

<b>Timeline</b>	20 April 2022 – 31 October 2024
<b>Project Title</b>	<b>L3: Information Governance and Data Cleansing</b>
<b>Project Owner</b>	Raymond Prior
<b>Purpose - what do we want to achieve</b>	<ul style="list-style-type: none"> <li>• Implement a robust approach to information governance across the HSCP ensuring statutory duties are met</li> <li>• Embed good information governance practices into business-as-usual activity</li> <li>• Ensure staff have the training and information to manage associated risk accordingly</li> <li>• Fully prepared for a transition to a new case recording system and online collaboration tools such as One Drive.</li> </ul>
<b>Expected Outcomes – Non financial</b>	<ul style="list-style-type: none"> <li>• HSCP has a defined approach to information governance</li> <li>• HSCP processes are reviewed to ensure information governance requirements are adhered to</li> <li>• Reduced risks of data breaches and potential Information Commissioner fines</li> </ul>
<b>Expected Outcomes – financial</b>	<ul style="list-style-type: none"> <li>• There are no expected financial outcomes as a result of this project.</li> </ul>
<b>Current Update</b>	<ul style="list-style-type: none"> <li>• Review of physical files at Thornliebank now completed except Finance</li> <li>• Focus is now on files saved on DVDs and CDs</li> <li>• Work in progress with files saved at St Andrews Houses</li> <li>• Home Care Dairies are being scanned into Information at Work system while backlog of old dairies is being sorted for easy access</li> <li>• Work in progress with electronic files. This includes Scan files saved on old system</li> </ul>
<b>Next Steps</b>	<ul style="list-style-type: none"> <li>• Complete Thornliebank physical files related to Finance</li> <li>• Complete Phase 2 review work (electronic files)</li> <li>• Organise electronic records</li> <li>• Saving files on I-Drive · Review and list Scan Files</li> <li>• Complete the review of files at St. Andrew's House</li> <li>• Complete work on Indexing and logging old Home Care dairies location for destruction in line with retention policy</li> <li>• Relevant staff to be identified to undertake Information Asset Register (IAR) Training</li> </ul>
<b>RAG</b>	<b>GREEN</b>
<b>Timelines</b>	16 November 2022 – 31 October 2024

<b>Project Title</b>	<b>L4: Review of Commissioned Services</b>
<b>Project Owner</b>	Margaret Phelps
<b>Purpose - what do we want to achieve</b>	<ul style="list-style-type: none"> <li>To review a number of arrangements to ensure we are maximising all framework and contractual opportunities</li> </ul>
<b>Expected Outcomes – Non-financial</b>	<ul style="list-style-type: none"> <li>Resilience in local partnership working</li> </ul>
<b>Expected Outcomes – financial</b>	<p>An indicative saving of:</p> <ul style="list-style-type: none"> <li>2022/23 - £75k (achieved)</li> <li>2023/24 - £225k (£82k achieved to date)</li> <li>2024/25 – £500k (£1k additional full year effect achieved)</li> </ul>
<b>Current Update</b>	<ul style="list-style-type: none"> <li>Reviews of grants continuing.</li> <li>Actual reviews of top 20 high-cost packages and older service agreements effectively transferred to SPF.</li> <li>Of the original 130 clients who were identified as having high packages, 36 reviews were completed, 8 have had savings identified under SPF and are reported through that mechanism.</li> <li>The remainder of cases the have been referred to the Professional Peer Review group.</li> <li>Supporting brokerage work linked with Care at Home Phase 2 Project.</li> </ul>
<b>Next Steps</b>	<ul style="list-style-type: none"> <li>Workshop on grants scheduled for January 2024</li> </ul>
<b>RAG</b>	<b>GREEN</b>
<b>Timelines</b>	November 2022 – March 2025

<b>Project Title</b>	<b>L5: Care at Home Review Phase 2</b>
<b>Project Owner</b>	Julie Murray
<b>Purpose - what do we want to achieve</b>	<ul style="list-style-type: none"> <li>• Structure redesign</li> <li>• Defined offering to the external marketplace</li> <li>• An operating model that is effective and efficient</li> <li>• Care at Home and Telecare services aligned, and cross service opportunities maximised</li> </ul>
<b>Expected Outcomes – Non financial</b>	<ul style="list-style-type: none"> <li>• A sustainable, resource and cost-efficient operating model</li> </ul>
<b>Expected Outcomes – Financial</b>	<p>Indicative savings are:</p> <ul style="list-style-type: none"> <li>• 2022/23 - £100k (not achieved)</li> <li>• 2023/24 - £200k</li> <li>• 2024/25 - £200k</li> </ul>
<b>Current Update</b>	<ul style="list-style-type: none"> <li>• Recruitment and on-boarding activity for frontline staff roles is continuing following recent social media and digital billboard advertising campaigns</li> <li>• Jobs specification and evaluation documentation completed and job evaluation activity is progressing</li> <li>• Engagement events held with external providers as part of market share transition planning</li> <li>• New project dashboard developed to support project board with data review and trend analysis</li> </ul>
<b>Next Steps</b>	<ul style="list-style-type: none"> <li>• EQIA work remains ongoing</li> <li>• Continued focus on delivering key workstream activities including frontline staff recruitment and external provider engagement, to support the achievement of project benefits</li> </ul>
<b>RAG</b>	<b>AMBER</b>
<b>Timeline</b>	July 2023 to June 2024

<b>Project Title</b>	<b>L6 – Supporting People Framework</b>
<b>Project Owner</b>	Tom Kelly, Lee McLaughlin, Raymond Prior
<b>Purpose - what do we want to achieve</b>	<ul style="list-style-type: none"> <li>To adopt a formalised eligibility criteria for social care in response to the highly challenging current financial position facing the HSCP</li> <li>To carry out reviews of care packages across all services to identify savings and efficiencies where possible</li> </ul>
<b>Expected Outcomes – Non financial</b>	<ul style="list-style-type: none"> <li>Streamlined and uniformed approach to assessment and service provision based on need.</li> </ul>
<b>Expected Outcomes – financial</b>	<ul style="list-style-type: none"> <li>2023/24 - £3.4m (£183k to date with a further £89k full year effect in 2024/25)</li> </ul>
<b>Current Update</b>	<ul style="list-style-type: none"> <li>On the 22 November 2023 the IJB agreed an immediate change to the Supporting People Framework to substantial /critical risk</li> <li>Project status changed to red reflecting the significant challenge to deliver the financial savings required.</li> <li>Regular HSCP Senior Management team discussions take place to focus and accelerate savings.</li> <li>Developed a professional peer review group and extended the membership to include Voluntary Action and talking points. This group considers outcomes of all reviews and provides a place for colleagues to get advice and support.</li> <li>Training and implementation to introduce forms and procedures completed.</li> <li>Work is underway to develop an online self-assessment resource, based upon the SPF, to help direct individuals to early interventions in the community and manage expectations.</li> </ul>
<b>Next Steps</b>	<ul style="list-style-type: none"> <li>A full review of the adult assessment and procedures will be completed in February 2024 to address any areas of improvement required.</li> <li>The project group continue to work with individual teams and service managers to address the impact of the new forms and identify any improvements and changes required to support practice.</li> </ul>
<b>RAG</b>	<b>RED</b>
<b>Timeline</b>	April 2023 to March 2024

## PLANNED PROJECTS

There are currently no planned projects

## FUTURE PROJECTS

<b>Project Title</b>	<b>F1 – Review of Telephony Systems</b>
<b>Project Owner</b>	Lesley Bairden
<b>Purpose - what do we want to achieve</b>	<ul style="list-style-type: none"> <li>• Delivery of a unified telephony system that supports and enhances service delivery</li> <li>• A telephony system that supports hybrid working and future technological developments</li> <li>• Access to telephony and communications data reports</li> </ul>
<b>Expected Outcomes – Non financial</b>	<ul style="list-style-type: none"> <li>• A modern, flexible telephony and communications system</li> <li>• Technology that supports hybrid working and enables further integration across health and social care</li> <li>• A solution that enables HSCP to provide a better experience for those who contact the partnership</li> <li>• Access to data which enabling HSCP to understand telephony data, demands and trends that can be used to influence future service redesign</li> </ul>
<b>Expected Outcomes – financial</b>	<ul style="list-style-type: none"> <li>• Potential savings not known at this stage</li> </ul>
<b>Next Steps</b>	<ul style="list-style-type: none"> <li>• Project Mandate submitted to SR&amp;R Programme Board for consideration in January 2024</li> </ul>
<b>Timelines</b>	January 2024 –August 2024

<b>Project Title</b>	<b>F2 – Review of Fleet Vehicles</b>
<b>Project Owner</b>	Lesley Bairden
<b>Purpose - what do we want to achieve</b>	<ul style="list-style-type: none"> <li>• A new project on fleet vehicles will be scoped out and will consider lease versus purchase, including electric vehicles as part of options to identify budget savings. This will be added as a new project once the scoping work is complete.</li> </ul>
<b>Expected Outcomes – Non financial</b>	<ul style="list-style-type: none"> <li>• TBC</li> </ul>
<b>Expected Outcomes – financial</b>	<ul style="list-style-type: none"> <li>• TBC</li> </ul>
<b>Next Steps</b>	<ul style="list-style-type: none"> <li>• TBC</li> </ul>
<b>Timelines</b>	TBC



Savings, Recovery & Renewal  
Analysis of Savings Delivery

Appendix 2

Saving	Funding Gap £'000	Savings Achieved £'000	Remaining Balance		Not Achieved £'000	Saving Achieved 24-25 £'000	Balance of Saving not achieved
			On Track £'000	Funded from Reserves £'000			
<b>HSCP Wide Savings</b>							
Review of Commissioned Services	225	82	-	-	143		143
Further Funding Expected on Pay Award	261	261	-	-			-
Living Wage on Pay element of contracts rate only	148	148	-	-			-
Limit Use of Support Services to contain cost pressures	219	-	219	-			-
Supporting People Framework to Moderate	3,400	183	417	694	1,950		2,644
Structure Proposals	928	435	0	493		121	372
Allocate Turnover Target 1%	200	200	-	-			-
<b>Learning Disabilities</b>							-
Sleepover Review	150	150	-	-			-
Supported Living	130	19	111	-			-
<b>Intensive Services</b>							
Efficiencies from Care at Home Scheduling System	75	5	-	70			70
Care at Home Review Phase 2	200	-	-	200			200
Review of Vacant posts and Associated running costs	179	90	-	107			107
<b>Children and Families</b>							
Review of Connor Road funding	60	-	-	60		60	-
Family Functional Therapy	52	52	-	-			-
Residential Costs - review of Care options	226	219	7	-			-
Health Improvement - review of service to rationalise	50	-	-	50			50
Trauma Informed Practice	-	50	-	-			-
<b>Finance and Resources</b>							
Review of Structure and Processes	296	296	-	-			-
<b>Localities</b>							
Rehab Team Mini Restructure	61	-	-	-			-
Eastwood localities Team - Mini Restructure	53	-	-	-			-
Review of Vacant posts and associated Running Costs	28	150	-	-			-
District Nursing - Vacancy Management	50	-	-	50		50	-
New - Tech Enabled Care	-	80	-	-			-
<b>Mental Health and Addictions</b>							
Review of Structure and Care Packages	65	65	-	-			-
<b>Sub Total</b>	<b>7,056</b>	<b>2,485</b>	<b>754</b>	<b>1,724</b>	<b>2,093</b>	<b>231</b>	<b>3,586</b>

35% 11% 24% 30%

New Tagret added:

<b>Supporting People Framework to Substantial &amp; Critical</b>			<b>1,200</b>		<b>(1,200)</b>		
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<b>Revised Total</b>	<b>7,056</b>	<b>2,485</b>	<b>1,954</b>	<b>1,724</b>	<b>893</b>	<b>231</b>	<b>3,586</b>
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35% 28% 24% 13%

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