

NHS Highland



Meeting: NHS Highland Board
Meeting date: 26 March 2024
Title: 2024/2025 Budget offer to Argyll & Bute IJB
Responsible Executive/Non-Executive: Heledd Cooper, Director of Finance
Report Author: Elaine Ward, Deputy Director of Finance

1 Purpose

This is presented to the Board for:

- Decision

This report relates to a:

- NHS Board/ Integration Joint Board Strategy or Direction

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

Safe, Effective and Person Centred

This report relates to the following Strategic Outcome(s)

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

2 Report summary

2.1 Situation

This report sets out the initial budget offer for Argyll & Bute IJB for 2024/2025.

2.2 Background

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

2.3 Assessment

The funding for Argyll & Bute IJB is normally provided on the basis of an equivalent NRAC share of the overall resource provided to NHS Highland. This is the recommendation of this paper.

Initial Offer

NRAC calculations are published by Scottish Government on a 3 year basis and Argyll and Bute's share of the NHS Highland total is 28.48% (28.60% in 2023/2024).

On that basis, NHS Highland's offer to the IJB is £275.475m.

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

Argyll & Bute 2024-25 Opening offer	£m's
2023-24 baseline funding Health	226.145
2023-24 baseline funding IJB	7.451
Estimated Funding Uplifts	
Health Baseline Uplift	0.000
NRAC Funding Adjustment	(0.210)
IJB Baseline Uplift	0.000
Baseline Adjustments Received April to March	
Agreed Anticipated Baseline SG	233.386
Expected & in year core allocations	27.981
Expected in year non core allocations	14.107
Total 2024-25 Opening Offer	275.475

2.4 Proposed level of Assurance

This report proposes the following level of assurance:

Substantial
Limited

Moderate
None

The assurance being offered is moderate in recognition that the same methodology has been used as pre previous years, but the lack of national uplift and reduction in NRAC will put pressure on the IJBs financial position.

3 Impact Analysis

3.1 Quality/ Patient Care

N/A

3.2 Workforce

N/A

3.3 Financial

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

3.4 Risk Assessment/Management

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

3.5 Equality and Diversity, including health inequalities

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

3.6 Other impacts

None

3.7 Communication, involvement, engagement and consultation

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

- Executive Directors Group – via monthly updates and exception reporting
- Efficiency Transformation Group
- Finance, Resource and Performance Committee
- Monthly financial reporting to Scottish Government

3.8 Route to the Meeting

Annual statutory requirement

4 Recommendation

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

4.1 List of appendices

N/A