

**Integration Joint Board**

**Date of Meeting: 29 May 2024**

**Title of Report:**

### **3. DETAIL OF REPORT**

#### **3.1 12 Months to 31 March 2024**

The table below provides8EMC /Span /MCID 7/Lang (ev4.16 165.62 reW\*nB

<b>Social Work</b>		
Opening Social Work General Reserve		3,556
Budgeted reliance on reserves		(623)
Revenue overspend 2023/24		(165)
General Reserves Spend Infrastructure & Transformation		(170)
<b>General Reserves - funding requirement and spend</b>		<b>(958)</b>
<b>Closing General Reserve</b>		<b>2,598</b>

The Transformation and Infrastructure spend includes spend on strategic development work with Hub North and additional costs relating to the Eclipse implementation.

### 3.1.3 Health Services Outturn

The health position improved markedly in the final month. This was due to additional funding allocations, central funding of some national costs which were expected to be charged to IJBs and Boards and improved nationally provided information on drug costs. The reduced actual spend on drugs has a recurring impact as a higher level of spend was assumed in the budget for 2024/25. While the overall outturn is favourable there were a number of budgets which overspent:

Medicines national tariffs and prescribing volumes increased during the year, the final overspend was £1.2m, less than expected but still 3% above budget. The Finance & Policy Committee is to consider a more detailed analysis of spend in June along with a proposal for a favourable adjustment to the 2024/25 budget;

Acute Services £0.8m overspend largely due to on-going spend on agency and locum staff; and

Estates - overspent by £0.4m due to failure to achieve workforce related savings and the cost of reactive emergency repairs at the year end.

The national initiative to end the use of non-framework providers had some impact on reducing agency nursing rates towards the year end but utilisation of staff remained high due to vacancies. Monthly costs were circa £50k lower in the second half of the year.

<b>NHS Services</b>		
Opening General Reserve		5,542
Allocated to Prevention Programme		(600)
Less new NRAC parity and sustainability funding returned to NHSH		(2,297)
Project Spend		(227)
Underspend added to general reserve		2,798
<b>Closing General Reserve</b>		



## **3.4**

### 3.4.1

### 3.4.2

### 3.4.3



## **10. RISK ASSESSMENT**

### **10.1 Financial Risk continues to be regarded as very high:**

Continuing impact of inflation and service demand;  
2024/25 pay settlements and funding;  
Potential for recovery of reserves; and  
Delivery of the savings programme.

The public sector financial outlook remains concerning and financial risk is perceived to continue to be very high as reported in the Strategic Risk Register.

NHS Highland, and the Health Service more widely, continue to be under severe pressure, this is a risk to the HSCP as reserves may be clawed back or

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