

## **ABERDEENSHIRE INTEGRATION JOINT BOARD – 20 MARCH 2019**

### **REVENUE BUDGET 2019/20**

#### **1 Recommendation**

**It is recommended that the IJB:-**

- 1.1 Acknowledge that the revenue budget facilitates the delivery of the Integration Joint Board's priorities;**
- 1.2 Agree the proposed budget savings listed in Appendix 1;**
- 1.3 Note the financial allocations made from Aberdeenshire Council and NHS Grampian for 2019/20;**
- 1.4 Agree the proposed balanced revenue budget for 2019/20 in Appendix 2;**
- 1.5 Note the financial risks set out in Appendix 3.**
- 1.6 Direct Aberdeenshire Council and NHS Grampian to deliver all delegated functions in terms of the legislation and the Integration Scheme as currently delivered by them in terms of the budget outlined in this report, as set out in the Direction at Appendix 5;**

#### **2 Risk**

IJB Risk 1 Sufficiency and affordability of resource

#### **3 Background**

- 3.1 The Public Bodies (Joint Working) (Scotland) Act 2014 required all local authorities and health boards to integrate adult community health and social care services. Within Aberdeenshire this is provided through an Integration Joint Board, formed of representatives from Aberdeenshire Council and NHS Grampian.**
- 3.2 Aberdeenshire Council and NHS Grampian are partners contributing resources, including financial resources to the Aberdeenshire IJB. The contributions for 2019/20 from Aberdeenshire Council and from NHS Grampian have been agreed at their respective budget meetings held in February.**
- 3.3 During the preparation of the budget, officers from both partners have worked closely with Health & Social Care officers to advise and develop the IJB element of each partner's budget.**

- 3.4 The IJB is forecasting an overspend in the current financial year (2018/19) of circa £3.0 million. The level of resources initially required by the IJB to deal with new inflationary pressures and the underlying overspend on budgets is estimated to be £2.2 million greater than the funding contributions advised in 2019/20 from the partners. This report outlines the plans to cover this £2.2 million difference in order that the IJB can set a balanced revenue budget for 2019/20.

#### **4 Revenue Budget 2019/20**

- 4.1 In 2019/20 the Integration Joint Board will invest around £317 million in Aberdeenshire through the revenue budget managed and delivered through the Health and Social Care Partnership.
- 4.2 In 2017 the IJB developed a Medium Term Financial Strategy (MTFS) which covered five financial years. As such, the 2019/20 revenue budget builds on the assumptions of the MTFS and the current year's financial position. Many of the financial pressures experienced in 2018/19 are forecast to continue into 2019/20 as a number are related to demographic pressures which place an increasing reliance on the health and social care services provided by the IJB.
- 4.3 Aberdeenshire Council and NHS Grampian have agreed to finance the 2018/19 forecast overspend of circa £3.0 million. This effectively resets the budget position for the start of the new financial year, i.e. there is no carry forward of deficit. However the underlying financial challenges remain together with new inflationary pressures around elements such as pay, commissioned services and supplies. These pressures are a significant call on new funding allocated to the IJB and mean there is less new funding to invest in service developments or transformational change.
- 4.4 A number of risks have been identified during the preparation of the revenue budget. These risks have been considered by the Management Team and discussed at the IJB Finance Group. The potential implications and possible mitigations associated with the risks have also been discussed before figures have been included in the proposed revenue budget.
- 4.5 The acceptance of a degree of risk is part of budget setting in order to achieve a balanced position that does not include unnecessary reductions to essential services. The main risks relating to the proposed budget are outlined at Appendix 3.
- 4.6 GP Prescribing is a significant and volatile area of the budget for the IJB. NHS Grampian's Director of Pharmacy has prepared a forward look paper on budget requirements for Prescribing which is contained for information at Appendix 4. The budget proposed for GP Prescribing in 2019/20 is £44.5 million which is slightly higher than the level suggested by the Director of Pharmacy. This will provide the Prescribing budget with some resilience against the possible impact of Brexit on drug prices and the risks of drugs going onto short supply.
- 4.7 A summary of the proposed revenue budget is shown in the following table:

## Proposed Revenue Budget 2019/20

	Revised Budget 2018/19 £000s	Forecast 2018/19 £000s	Proposed Revenue Budget 2019/20 £000s
Health & Social Care	283,369	285,988	290,035
Funds	2,678	3,017	2,097
Set Aside	24,527	24,527	24,527
Total Expenditure	310,574	313,532	316,659
Financed by:-			
NHS Grampian	180,947	180,947	180,449
Aberdeenshire Council	105,100	105,100	111,683
Set Aside	24,527	24,527	24,527
Total IJB Resources	310,574	310,574	316,659
Net Budget	0	2,958	0

- 4.8 It should be noted that the budget above does not include non-recurring earmarked funding allocated to NHS Grampian during the year by the Scottish Government for a range of services delegated to the IJB. The total of this funding in 2018/19 was £4.6 million. It is expected that a similar amount of funding will be allocated in 2019/20. The funding will be added to the budget as and when confirmation is received from the Scottish Government.

## 5 Scottish Government Budget Announcement

- 5.1 The Settlement announcement for 2019/20 was approved by the Scottish Parliament in February. The settlement for Aberdeenshire Council is extremely tight with new resources being targeted at new commitments in Early Years Education and Health & Social Care, resulting in increased financial pressure on core Council budgets. The settlement for NHS Grampian is in line with expectations but still means that Grampian is the lowest funded Health Board per head of population in Scotland.
- 5.2 The projected level of new resources available to the IJB from the Scottish Government budget announcement is shown in the table below:

Item	£m	Note
NHS Base Uplift (2.6%)	3.8	1
Scottish Govt Integration Funding	4.4	2
Free Personal Care for Under 65s	1.2	3
Carers Act	0.3	4
<b>Total</b>	<b>9.7</b>	

Notes:

1. Share of base uplift provided to NHS Grampian by Scottish Government (based on Aberdeenshire's NRAC share of uplift).
  2. Aberdeenshire share of £108 million allocated by Scottish Government for investment in integration, including delivery of Living Wage and uprating of free personal care.
  3. Aberdeenshire share of £30 million allocated by Scottish Government for development of free personal care for under 65s ("Frank's Law"). Final figure yet to be confirmed.
  4. Aberdeenshire share of £10 million allocated by Scottish Government to support the continued implementation of the Carers (Scotland) Act 2016.
  5. Table does not include funding announced by the Scottish Government for investment in School Counsellor posts. This funding is now likely to be allocated through Education & Children's Services and not the IJB.
  6. Table does not include other NHS earmarked funding which will be allocated to NHS Grampian and the IJB as the 2019/20 financial year progresses.
- 5.3 The Scottish Government announced on 1<sup>st</sup> February an updated Local Government budget settlement following negotiations with other parties. This updated settlement gave Councils the flexibility to offset their adult social care contributions to IJBs by up to 2.2% in 2019/20 compared to 2018/19 levels. For Aberdeenshire, this would equate to a reduction in funding of circa £2.3 million. Aberdeenshire Council has decided not to exercise this flexibility and to maintain the IJB's recurring budget at 2018/19 levels. We consider this to be an extremely supportive move by the Council which demonstrates the mature relationship and strength of partnership working between the Council and the IJB.
- 5.4 It is important to reiterate that each partner's financial settlement for 2019/20 has been challenging when compared to the increasing demands on services resulting from the demographic pressures of a growing and ageing population.

## **6 Current Financial Position**

- 6.1 Throughout 2018/19 the IJB has received regular monitoring reports updating the current and forecast expenditure compared to the revenue budget. The forecast for this year is now at £2.9 million over budget as at January 2019.
- 6.2 The current year's financial position has been a key influencing factor during the budget preparations for the IJB and for both partners, with demographic pressures and community based services being at the forefront of discussions.
- 6.3 The IJB is also required to establish two earmarked reserves at the end of the 2018/19 financial year to represent the unspent balance of funding that was allocated in the year by the Scottish Government for the Primary Care Improvement Fund (PCIF) and Action 15 Mental Health posts. The total earmarked reserve is estimated to be circa £1.4 million at 31<sup>st</sup> March 2019. This funding will be spent on the PCIF and Action 15 Mental Health posts in 2019/20.

## **7 Equalities, Staffing and Financial Implications**

- 7.1 An equalities impact assessment is not required. All of the projects and initiatives which are referenced in this budget report have their own equalities impact assessment where required.
- 7.2 The financial implications have been discussed with the IJB and are set out in this report. It is recognised that the decisions taken to reach this position are likely to have impacts and these will be considered and reported appropriately.
- 7.3 The Monitoring Officer has been consulted on this report and any comments are included within the report.

**Adam Coldwells**  
**Chief Officer**  
**Aberdeenshire Health & Social Care Partnership**

**Alan Sharp**  
**Chief Finance Officer**

3<sup>rd</sup> March 2019



APPENDIX 1

Planned Budget Savings 2019/20

Service Area	Action	Base Budget £000	Savings £000
Community Hospitals	Withdrawal of contract for beds with Auchtercrag Care Home with reinvestment in alternative service provision.	16,466	300
Older People – Residential Care	Reduction in agency spend in Care Homes	7,896	100
Older People – Home Care	Altering the balance of internal versus external provision	15,063	400
Older People – Home Care	Review of threshold levels for new Home Care packages	15,063	400
Community Hospitals	Review of efficient use of Nursing resource with focus on the use of supplementary staffing	16,466	200
Funds – MTFS Other Schemes	Savings on projects which have come to an end that were funded through the Integrated Care Fund		300
Funds - Slippage	Planned slippage on the investment of new allocations		400
Other Income	Inflationary Uplift of 3% on Other Miscellaneous Income sources		100
		<b>Total</b>	<b>2200</b>

ABERDEENSHIRE INTEGRATED JOINT BOARD				Appendix 2	
2019/20 PROPOSED BUDGET					
	ACTUAL 2017/18 £'000	"JAN 19 REVISED BUDGET 2018/19 £'000	"JAN 19 REVISED FORECAST 2018/19 £'000	PROPOSED BUDGET 2019/20 £'000	
<b>Health &amp; Social Care</b>					
<b>Directed to NHS Grampian</b>					
<b>Core Services</b>					
1					
a)	Alcohol & Drugs Partnership	1,274	1,832	1,482	1,733
b)	Allied Health Professionals	6,893	7,349	6,928	7,408
c)	Joint Equipment Service	614	183	691	683
d)	Community Hospitals	18,636	16,467	17,612	16,532
e)	Inverurie HUB Project	0	807	807	0
f)	Community Mental Health	618	851	732	872
g)	Dental	2,430	2,533	2,477	2,284
h)	District Nursing	4,531	4,545	4,637	4,622
i)	Health Centres Management	(586)	(626)	(552)	(286)
j)	Health Visiting	4,306	4,373	4,345	4,563
k)	Other Direct Patient Care	1,100	1,090	1,169	1,097
l)	Public Health	644	700	584	589
m)	Specialist Nursing	357	415	459	422
n)	Support Services	2,291	3,173	3,148	3,210
	<b>Total Core Services</b>	<b>43,108</b>	<b>43,692</b>	<b>44,519</b>	<b>43,729</b>
2	Primary Care	37,036	38,186	38,412	37,869
3	Primary Care Prescribing	45,074	44,687	44,005	44,507
4	Community Mental Health	7,713	8,018	7,750	7,851
5	Aberdeenshire Share of Hosted Services (Health)	13,562	13,728	13,889	13,719
6	Out Of Area Treatments	1,909	1,859	2,334	2,059
<b>Directed to Aberdeenshire Council</b>					
7	IJB Costs	86	70	75	70
8	Headquarters	2,415	1,816	1,806	1,879
9	Business Services	3,763	3,908	3,893	4,064
10	Out of Hours Service	196	210	210	219
11	Criminal Justice Service - Grant Funded Services	165	50	50	50
12	Criminal Justice Service - Prison Social Work	0	1	1	0
13	Adult Services - Community Care	37,171	36,859	37,581	40,004
14	Adult Services - Day Care	5,806	5,948	6,163	6,292
15	Adult Services - Residential Care	1,626	1,829	1,898	1,916
16	Adult Services - Employment Development	515	520	540	544
17	Adult Services - Mental Health	5,249	5,658	5,085	5,847
18	Adult Services - Substance Misuse	1,312	1,622	1,221	1,683
19	Physical Disabilities - Community Occupational Therapy Service	3,265	3,382	3,597	3,732
20	Physical Disabilities - Joint Equipment Service	9	(173)	(191)	(150)
21	Specialist Services & Strategy	1,891	1,554	1,589	1,649
22	Adult Support Network	242	269	219	280
23	Older People - Care Management	40,790	42,241	43,580	44,995
24	Older People - Day Care	891	723	923	752
25	Older People - Home Care	14,670	15,063	14,520	14,252
26	Older People - Residential Care	8,183	7,896	8,266	8,244
27	Older People - Very Sheltered Housing	3,682	3,753	4,053	3,979
		<b>280,329</b>	<b>283,369</b>	<b>285,988</b>	<b>290,035</b>
<b>Funds</b>					
28	Integrated Care Fund - Directed to both Partners	1,819	1,700	1,422	1,400
29	Delayed Discharge - Directed to both Partners	0	40	40	138
30	Clan Grant - Directed to NHS Grampian	0	7	7	7
31	Shire Out of Hours	0	212	0	0
32	Primary Care Improvement Fund - Directed to NHS Grampian	0	951	951	0
33	Pharmacists in GP Surgeries Funding - Directed to NHS Grampian	0	223	223	0
34	Six Essential Actions Unscheduled Care Funding	0	49	20	0
35	Mental Health Access Fund - Directed to NHS Grampian	0	98	21	0
36	Mental Health Innovation Fund - Directed to NHS Grampian	0	55	10	0
37	Mental Health Action 15	0	323	323	0
38	Additional Scottish Government Funding in Year Assumed	0	(981)	0	(208)
39	NHSG Non- Pay Uplift Funding to be Allocated	0	0	0	300
40	NHSG Full Year Effect of 18-19 Additional Funding	0	0	0	460
		<b>1,819</b>	<b>2,677</b>	<b>3,017</b>	<b>2,097</b>
41	Set Aside Services	24,527	24,527	24,527	24,527
		<b>306,675</b>	<b>310,573</b>	<b>313,532</b>	<b>316,659</b>
<b>Funded By:</b>					
A	NHS Grampian Baseline		181,260	181,260	176,835
B	NHS Grampian 2.6% Uplift		0	0	3,614
C	Aberdeenshire Council Baseline		104,786	104,786	104,956
D	Aberdeenshire Council Additional Pay Uplift 1.5%		0	0	807
E	Additional Scottish Government Funding Fed Through RSG		0	0	4,693
F	Additional Scottish Government Funding - Free Personal Care U 65's		0	0	1,227
G	Set Aside Services		24,527	24,527	24,527
			<b>310,573</b>	<b>310,573</b>	<b>316,659</b>
<b>FUNDING GAP 2018/19</b>			<b>2,959</b>	<b>0</b>	



## APPENDIX 3

### 1. Financial Risks

- 1.1 Budget assumptions carry a degree of financial risk which means that a budget variation may arise if information or circumstances supporting that assumption change. The acceptance of risk is a necessary part of the budget process.
- 1.2 A number of financial risks have been identified when developing the proposed revenue budget. These are highlighted below:-

#### (1) Financial Settlement

A one-year settlement for 2019/20 only has been received for this budget process. The merits of a multi-year Settlement continue to be expressed to enhance the alignment with delivering against the strategic priorities.

#### Pay Provision

The pay inflation provisions currently reflected in the budget are officers' estimations and are in no way intended to influence pay negotiations. For NHS staff on Agenda for Change, an average pay uplift of 2.9% has been estimated based on the three year pay deal agreed between the Scottish Government and Staff Side. For Medical and Dental staff, an uplift of 2% has been assumed but the award for 2019/20 has not yet been confirmed. For Council staff, a figure of 3.0% has been assumed. If pay negotiations result in figures different from the budget assumptions, further discussions and priorities will have to be assessed in order to accommodate any resultant financial pressure in year.

There is also no allowance in the budget for any regradings of staff. This was a pressure in 2018/19 when a national decision was taken to regrade Health Visitor posts.

#### (2) Staff Costs

The age profile of our workforce indicates we have a large cohort in the 40 – 59 age range. Many of these staff are very experienced and have worked in health and social care for many years. They are likely to be at the top of their pay scale. The NHS has historically based budgets on mid salary point which with a potentially growing older workforce leads to a gap between budgeted and actual pay.

#### (3) Safe Staffing Legislation

The Scottish Government is introducing legislation which will lead to a more rigorous approach in calculating the staffing numbers required for many health and social care settings. The IJB is currently taking forward work to assess the implications of this legislation. If it is assessed that greater numbers of staff are required to support the services currently delivered by the IJB then choices will need to be made between investing in new staff, redesigning services or reducing service capacity to match the number of staff available. There is no

provision in the 2019/20 budget to fund new staff as a result of the Safe Staffing legislation.

#### (4) Prescribing Costs

Prescribing costs are a large and volatile area of the IJB budget. They represent an area of significant financial risk. In 2018/19 prescribing costs have been very stable, with lower volume growth than expected and stable price levels. The impact of Brexit, the introduction of new drug therapies and the possibility of drugs going onto “short supply” all present risks to the prescribing budget in 2019/20.

#### (5) Demographic Changes

The demographic profile of Aberdeenshire continues to show a general rise in population with a specific increase in the age profile of the population. The associated challenges of providing care for a rising population where people live with multiple conditions are well known. These challenges manifest themselves in a financial sense when we experience issues such as rising numbers for social care packages and rising demand for aids and adaptations. Whilst there is some provision in the 2019/20 budget to deal with existing overspends in these areas there is no provision to specifically deal with new demographic pressures.

#### (6) Public Perception of Health & Social Care Services

The Aberdeenshire Health & Social Care Partnership’s Strategic and Commissioning Plans recognise that the changes we need to make will make demands on individuals, the communities of Aberdeenshire and organisations that provide health and social care and support. In order to release efficiencies whilst at the same time delivering our strategic priorities, we must focus on service redesign and re-commissioning.

Recent experience of service redesign and re-commissioning has highlighted a number of potential risks:

- Public perception that services are being lost and cost cutting is the sole driver.
- High expectations of the current and ongoing pressures faced by health and social care services.
- Negative media coverage affecting the Partnership’s reputation.
- Reluctance of society to change behaviour and focus on personal abilities and informal support networks, including making informed choices about how local services are used.

We can mitigate these risks by focusing on effective engagement, communication, education, and co-production with the public.

#### (7) Primary Care

The last year has seen a number of challenges around sustainability of some of our GP Practices with inability to recruit General Practitioners a common

issue. This has necessitated the Partnership providing support and investment to maintain GP services in some parts of Aberdeenshire. We will continue to use the Primary Care Improvement Fund and other funding streams to support General Practices and wider Primary Care teams across Aberdeenshire.

(8) Inflation

The budget has been prepared on the basis that known contracted inflation will be part of the budget. There is no general inflation provision with the assumption that any general inflation can be managed within proposed budgets. Should this not be possible and if levels of inflation increase then this may cause additional pressure on the budget.

(9) External Provision

It is recognised that efficiencies can be released through realigning the balance between in-house and commissioned resources. However, ongoing challenges with staff recruitment and retention, along with rural geography and transport issues in Aberdeenshire continue to have the potential to impact on the viability and sustainability of providers.

Our Commissioning Plan emphasises a shift in focus to services being identified and commissioned locally. However, unless we can stimulate the local market, there is a risk that we will continue the pattern of larger organisations being commissioned to provide services.

We can mitigate these risks by working with our third and independent sector providers and community partners at a local level to train, support, and up skill local providers in conducting their business with the Partnership. We can also mitigate these risks through moving away from short term projects to ensure there is longer term stability.

(10) Earmarked Funding

A proportion of funding for the Partnership is received via earmarked funding for specific purposes allocated by the Scottish Government. Typically this funding is not allocated until after the start of the financial year. We are assuming that the level of earmarked funding in 2019/20 will be broadly similar to the level received in 2018/19. If this is not the case, further prioritisation decisions will need to be made.

- 1.3 All of these risks and others within the budget will be monitored and managed in order to identify any issues and address these at an early stage.

## APPENDIX 4

### Prescribing budget requirements for 2019-2020

#### 1. Resourcing requirements for 2019-20

- 1.1 Current forecasting indicates Aberdeenshire will end the 2018-19 year with a surplus of £682K in the prescribing budget largely due to the significant uplift provided in year of £2,754K.
- 1.2 Resource assessment for prescribing has been undertaken for 19-20 using the approach adopted in previous years which estimates growth in volume and spend in the coming year and offsets these with generic savings and approved efficiency plans. The key themes and data presented here are taken from the more comprehensive 'Health and Social Care Prescribing Budget Supporting Information and Data for 2019-2020' which has been scrutinised and approved by the multidisciplinary / cross sector Grampian Medicines Management Group. A breakdown of the components of the requested budget for 2019-20 is provided in Table 1.
- 1.3 During 2018-19 there has been no real growth in the volume of prescriptions being dispensed in Grampian. Volume growth for 2019-20 has been based on anticipated impacts of demographic changes in Aberdeenshire on medicines use.
- 1.4 Previous years have seen a reduction in cost per item as a number of significant medicines lost patent protection and generic equivalents became available. Competition in the generic market also helped to drive costs down. Latterly generic prices have risen again, frequently as a function of supply shortages. Use of new branded medicines has also started to drive up the cost per item. Cost per item peaked in Q3 2017 but have been dropping since then and throughout 2018-19. At the start of the 2018 financial year the average cost per item for NHS Grampian was £11.16 falling to a low of £10.89 in September and an in year average estimated to be £11.05.
- 1.5 New drugs moving into primary care are predicted to have minimal impacts in 2019-20 with Erenumab for migraine the only significant new product identified from national horizon scanning documents with a budget impact of around £80K in 19-20.
- 1.6 Drugs coming off patent in 19-20 are likely to contribute around £93K of savings during the financial year.
- 1.7 During 18-19 we saw the introduction of FreeStyle Libre®. It is important to note that the full year impact of this introduction is yet to be realised but will be in 19-20 with the year 18/19 starters having additional net costs of £31K and the 19/20 starters having in year net costs of £72K.
- 1.8 The various medicines efficiencies undertaken in 18-19 to reduce the use of drugs with low therapeutic value has delivered a minimum saving of £729K in year across Grampian, around £292K for Aberdeenshire. Plans for a new efficiency programme in 19-20 already approved by the IJBs of Grampian are in place to deliver a further net £451K in 19-20 across Aberdeenshire.
- 1.9 The community hospital budgets in Aberdeenshire will require less funding than in 2018-19 with a 2.3% uplift on out-turn requested.

#### 2. Financial risk areas

The following are the main financial risks which are not included in the recommended uplifts summary:

- 2.1 The risk that the future prices for generic medicines, and associated reimbursement levels set within the Scottish Drug tariff, remain difficult to predict. Scottish Government has committed to rebalancing community pharmacy contractor payments by reducing the emphasis on margin share and moving these payments to within the guaranteed global sum. This was exemplified in the approach to pregabalin pricing whereby £20M across Scotland was removed from the drug tariff with the benefit being used by Scottish Government to pay contractors rather than accruing to local prescribing budgets.
- 2.2 The global supply chain remains fragile. Shortages in supply continue to be a significant problem for community pharmacy and dispensing doctor practices with the most recent example being the high volume, low cost non steroidal inflammatory naproxen. Such shortages can lead to unpredictability in the cost per item during the year. Brexit has the potential to significantly worsen shortages in the coming year both directly through border disruption causing delays to delivery and indirectly through potential delivery disruption within the UK.
- 2.3 The growth in consumption of medicines has been stabilising. Anecdotally this has been linked to the end of QOF, strengthened approaches to medication review and associated reductions in polypharmacy. There remains a risk that item volume rises greater than currently predicted.
- 2.4 Primary care rebates, the system that provides the NHS in Scotland with post use discounts on spend for specific medicines, has remained generally stable but there remains a risk that these rebates change or are removed. N.B. These discounts accrue to the individual HSCPs based on spend.
- 2.5 The introduction of new medicines/new treatment modalities has resource implications above and beyond the costs of just the medicine. While some medicines may replace existing treatments and be easier to manage, the overall effect of new medicines introduction may increase health service resource requirements in order to treat patients safely and effectively e.g. through additional impacts on phlebotomy and laboratory services.
- 2.6 Unmanaged movement of prescribing from secondary care to primary care without appropriate financial resources moving to support such change.
- 2.7 A diminution in the new GMS contract support for medicines management activities focussed on the cost effective use of medicines and the transition to pharmacotherapy services between now and 2021.
- 2.8 Macroeconomic effects related to currency fluctuation and broader impacts of Brexit.

**Table 1 - Overall Aberdeenshire HSCP Suggested Primary Care Prescribing Budget Requirement 2019/20**

Factor	Best case		Best guess		Worst case	
	£000's		£000's		£000's	
Full year Budget 2018-19	44687		44687		44687	
Predicted Year End Out-turn 2018-19	44005		44005		44005	
Total Movements	-68		115		358	
Suggested Total budget 2019-20	43937		44120		44363	
% increase on 2018-19 budget	-1.7%		-1.3%		-0.7%	
% increase on predicted 2018-19 expenditure	-0.2%		0.3%		0.8%	

**Table 2: Aberdeenshire HSCP Community Prescribing**

Sector	Full Year Budget 2018-19 £000's	Predicted Out-turn 2018-19 £000's	Suggested Budget 2019-20 £000's	Uplift on 2018-19 Budget %	Uplift on 2018-19 Out-turn %
<b>Aberdeenshire HSCP Total</b>	796	680	695	-12.7%	2.20%

## APPENDIX 5

1.	Reference number	2019-03-20-01
2.	Date direction issued by Integration Joint Board	20 <sup>th</sup> March 2019
3.	Date from which direction takes effect	1 <sup>st</sup> April 2019
4.	Direction to:	NHS Grampian and Aberdeenshire Council
5.	Does this direction supersede, amend or cancel a previous direction – if yes, include the reference number(s)	No
6.	Functions covered by direction	a) All delegated services operationally managed by the Integration Joint Board. b) Large hospital services (“set aside”) managed by NHS Grampian for which the Integration Joint Board has strategic planning responsibility.
7.	Full text of direction	<p>1. A revenue budget of £151.237 million allocated to NHS Grampian for the provision of all delegated services operationally managed by the Integration Joint Board.</p> <p>2. A revenue budget of £140.895 million allocated to Aberdeenshire Council for the provision of all delegated services operationally managed by the Integration Joint Board.</p> <p>3. A set aside budget of £24.527 million allocated to NHS Grampian for the provision of large hospital services where the Integration Joint Board has strategic planning responsibility.</p>
8.	Budget allocated by Integration Joint Board to carry out direction	See section 7 above
9.	Performance monitoring arrangements	Performance monitored through regular reporting of financial position to the Integration Joint Board and performance review meetings with the Chief Executives of NHS Grampian and Aberdeenshire Council
10.	Date direction will be reviewed	March 2020

