

IJB57. Budget Report 2021-22

The Integration Joint Board considered a report by the Chief Finance Officer which provided an update to the 2021/22 Business Case together with indicative budgets for the forthcoming financial year.

A total funding gap of £6.091m was forecast for 2021/22, which represented a net improvement of £0.306m compared to the position reported in the business case in November 2020. The improvement compared to the business case reflected a £0.457m favourable movement within set aside due to reductions in the inflationary uplifts applied to hospital drugs and pay awards, together with national elective centre funding. This was offset by a £0.151m adverse movement within primary care due to the recurring impact of flu vaccine costs in the prescribing position. There were no material changes within the Community Healthcare or Social Care forecasts.

The total 2021/22 budget was estimated at £238.118m (comprised of £209.151m in respect of the integrated budget and £28.967m in respect of set aside). The budget was indicative pending confirmation of a number of outstanding financial planning assumptions (e.g. pay awards, Scottish Living Wage, National Care Home Contract uplifts etc). In addition, the Partners were still to formally agree their respective budgets for 2021/22. In light of this, combined with further work being required to identify additional efficiency savings in order to achieve a balanced position, it was recommended that the budget was approved on an interim basis.

Decision

The Integration Joint Board:-

- (1) noted the revised projection and associated risks, and**
- (2) approved, on an interim basis, the indicative budgets for 2021/22.**