

## 9 DUNDEE INTEGRATION JOINT BOARD 2021/2022 BUDGET (DIJB30-2021)

Dundee Integration Joint Board approved its 2021/2022 Delegated Budget at its meeting of the 26th March 2021 (Article IV of the minute refers). At the time the budget was set, there were two areas where further funding confirmation was required which resulted in the following recommendations being agreed to, namely:

- to instruct the Chief Finance Officer to report back to the Integration Joint Board following receipt of formal notification from Tayside NHS Board of the budget offer with associated recommendations including any implications of the finalisation of hosted services budgets and the Large Hospital Set Aside on the Integration Joint Boards net budget position and associated savings.
- to Instruct the Chief Finance Officer to report back to the Integration Joint Board on the implications to the Integration Joint Board's budget should the additional funding received by the Integration Joint Board to implement the national living wage policy vary from the anticipated cost.

NHS Tayside Board met to agree its Strategic Financial Plan 2021/2022 on 29th April 2021 and the Chief Finance Officer has received confirmation that the previous indicative uplift figures to the NHS delegated budget have been approved and are therefore regarded as final figures with the exception of a figure for the Large Hospital Set Aside which is yet to be determined. Therefore no amendment is required to the IJB's delegated budget at this stage.

The Scottish Government has now confirmed Dundee's share of additional funding provided to meet in full the cost of implementing the living wage for all adult social care workers, including the national policy direction to increase the value of all eligible contractual arrangements by 2.2% in 2021/2022. This additional funding recognised a shortfall in the original national allocation of funding for implementation of the policy which the IJB was offsetting through its savings plan in addition to an increased commitment of the policy through the national 2.2% contractual uplift. This has resulted in additional funding not budgeted for within the original IJB Budget proposal of £906k, offset by an additional cost of the policy of £290k. This leaves net additional funding of £616k.

It is recommended that the additional funding is utilised to reduce the IJB's required 2021/2022 savings programme as follows to ease financial pressure on services during the year and to support the remobilisation of services:

Reduce Anticipated Staff Turnover Saving from £700k to £350k (reduction of £350k)  
Reduce Discretionary Spend Saving from £300k to £175k (reduction of £125k)  
Reduce Meals Service Saving from £93k to £52k (reduction of £41k)  
Reduce Delayed Utilisation of Reinvestment Funding from £500k to £400k (reduction of £100k)  
Total Reduced Savings: £616k.