

REPORT

Item No: 14

SUBJECT:	IJB Reserves Strategy 2021/2022
TO:	Integration Joint Board
Lead Officer for Report:	Chief Officer
Author(s) of Report:	Chief Financial Officer
DATE:	22 June 2021

1. PURPOSE OF REPORT

1.1 This paper is coming to the Integration Joint Board (IJB):

For approval	<input checked="" type="checkbox"/>	For endorsement	<input type="checkbox"/>	For noting	<input type="checkbox"/>
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1.2 This report provides an update on the review of the North Lanarkshire Integration Joint Board (IJB) reserves and seeks approval to establish new reserves in line with planned commitments and Scottish Government guidance.

2. ROUTE TO THE INTEGRATION JOINT BOARD

2.1 This paper has been:

Prepared By; Chief Financial Officer	Reviewed By; Chief Officer
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3. RECOMMENDATIONS

3.1 The IJB is asked to agree the following recommendations:

- (1) Note the 2020/2021 closing balance on the IJB reserves at 31 March 2021;
- (2) Endorse the allocation of the Scottish Government funding to the ring-fenced reserves as outlined at section 8.1;
- (3) Approve the allocation of funding to the risk-based, ear-marked and contingency reserves as detailed at sections 8.2, 8.3 and 8.4;
- (4) Note the allocation of funding to the previously approved joint strategic commissioning priorities as detailed at section 8.5, which now reflects the hosted services adjustment;
- (5) Note that the review of reserves is ongoing in consultation with operational colleagues in order to confirm the amount and timing of planned commitments and align the reserves to the North Lanarkshire Health and Social Care Partnership Remobilisation Plan 2021/2022 and the Strategic Commissioning Plan Programme of Work 2020-2023; and
- (6) Note that the review to assess the ongoing requirement for balances which have not been drawn down since 1 April 2019, as highlighted at section 7.2, will be progressed.

4. VARIATIONS TO DIRECTIONS

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
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5. BACKGROUND/SUMMARY OF KEY ISSUES

5.1 Consistent with a number of other Health and Social Care Partnerships this year, an underspend was reported by the IJB at 31 March 2021. This 2020/2021 underspend included funding received to meet the cost of the emergency response to the Covid-19 pandemic in 2021/2022 and also funding made available by the Scottish Government to progress policy commitments and national priorities in 2021/2022.

5. BACKGROUND/SUMMARY OF KEY ISSUES (CONT.)

5.2 The underspend reported at 31 March 2021 is £37.680m (NHSL - £25.305m; NLC -£12.375m). The factors contributing to the underspend are included in the financial monitoring report to the IJB on 22 June 2021. The proposed 2021/2022 IJB Reserves Strategy has been developed in consultation with the Director of Finance of NHS Lanarkshire (NHSL) and the Head of Financial Solutions of North Lanarkshire Council (NLC).

6. CONCLUSIONS

- 6.1 The IJB Reserves Strategy 2021/2022 provides an opportunity to strengthen long-term financial sustainability by considering the allocation of the 2020/2021 underspend to the strategic priorities of the IJB and both partners. Although reserves funding is non-recurring, some of the reserves proposals extend the duration of the funding for more than one year. This provides greater stability for essential health and social care services and the transformational change programmes to deliver required outcomes post pandemic. It will also enable more time for a recurring funding solution to be identified and agreed, where necessary. The IJB Reserves Strategy 2021/2022 will enable the IJB and both partners to balance current commitments whilst planning for future commitments and addressing financial risks.
- 6.2 The funding transferred to the IJB reserves is required to progress the agreed commitments in 2021/2022 which include the Community Living Change Fund, ADP initiatives, Mental Health Action 15 Services, Winter Preparedness Plans, the ongoing emergency response to the Covid-19 pandemic and the implementation of the Lanarkshire Response, Remobilisation and Recovery Plan for 2021/2022. Of critical importance locally is the requirement to address the Covid-19 pandemic which is continuing in 2021/2022 and the priority to re-establish services and address waiting lists. The IJB Reserves Strategy 2021/2022 is therefore in line with Scottish Government directions for the use of the funding and also the North Lanarkshire IJB Strategic Commissioning Plan 2020-2023.
- 6.3 The IJB is also asked to note that the Scottish Government expect 2020/2021 Covid-19 funding to be used first in 2021/2022 before any further funding is requested from the Scottish Government. The IJB Reserves Strategy 2021/2022 reflects this requirement.
- 6.4 Notwithstanding the availability of the IJB Reserves in 2021/2022, it may still be necessary to seek additional funding from the Scottish Government to fund the additional costs of the Covid-19 pandemic in 2021/2022. These costs are currently being monitored and will be reported to the Scottish Government. The Scottish Government will also be advised of the proposed IJB Reserves Strategy for 2021/2022.
- 6.5 The review of reserves is ongoing in consultation with operational colleagues in order to confirm the amount and timing of planned commitments and align the reserves to the North Lanarkshire Health and Social Care Partnership Remobilisation Plan 2021/2022 and the Strategic Commissioning Plan Programme of Work 2020-2023. The Medium to Long Term IJB Financial Plan will be updated by 21 September 2021 to reflect the expenditure profile of planned commitments funded from reserves and the future financial implications of recurring costs including consideration of potential funding solutions.

7. OVERVIEW OF RESERVES CLOSING BALANCE AT 31 MARCH 2021

7.1 A total of £0.976m has been drawn down from reserves during 2020/2021 (NHSL - £0.570m; NLC - £0.406m). Excluding the 2020/2021 underspend, the reserves balances as at 31 March 2021 are therefore as follows:

	£m	%
Ring-fenced reserves	1.852	12%
Ear-marked reserves	2.519	16%
Risk-based reserves	7.383	48%
Contingency reserves	3.684	24%
Total	15.438	100%

7. OVERVIEW OF RESERVES CLOSING BALANCE AT 31 MARCH 2021 (CONT.)

7.2 In respect of the balance of £15.438m, there has been no movement over the 2 years 2019/2020 and 2020/2021 in respect of £1.725m (11%) as follows:

Ring-fenced Reserves (NHSL)	£1.152m
Ear-marked Reserves (NHSL)	£0.573m
Total	£1.725m

7.3 A review is being undertaken to confirm if the above reserve balances are still required for the purposes originally agreed. The planned expenditure may not have been incurred as originally intended due to the impact of the Covid-19 pandemic. If the reserves funding is still required, a revised expenditure profile will be confirmed with the partner. An update on the outcome of the review will be presented to the meeting of the IJB (Performance and Audit) Committee on 24 August 2021.

7.4 The 2020/2021 underspend of £37.680m (NHSL - £25.305m; NLC - £12.375m) will be transferred to the IJB reserves. The total reserves balance at 1 April 2021 is therefore £53.118m.

7.5 In line with External Audit guidance and good practice, the underspend reported in the financial monitoring report at 31 March 2021 is reconciled to the movement on the reserves general fund, the movement on the provision of services and the total comprehensive (income) and the expenditure at 31 March 2021 as follows:

Movements in Reserves during 2020/2021	Actual Underspend £m	Total Reserves General Fund Balance £m
Opening Reserves Balance At 1 April 2020		16.414
Use of IJB Ring-Fenced and Earmarked Reserves		(0.976)
Closing Reserves Balance At 31 March 2021		15.438
Funding To be Transferred to IJB Reserves For Cost Commitments in 2021/2022		
NHSL Underspend	25.305	
NLC Underspend	12.375	
Sub Total		37.680
Closing Reserves Balance At 31 March 2021		53.118

8. IJB RESERVES STRATEGY 2021/2022

8.1 Ring-fenced Reserves

8.1.1 Funding has been received from the Scottish Government for specific purposes. The IJB is therefore asked to endorse the transfer of the funding totalling £16.355m (NHSL - £16.355m; NLC – Nil) to the ring-fenced reserves summarised in the table below and highlighted at appendix 1.

Ring-fenced Reserve	£m
Covid-19 Funding	2.265
Community Living Change Fund	1.298
Integrated Authority Support	6.076
Adult Social Care Winter Preparedness Plan	1.941
Scottish Government Priorities	4.775
Total Ring-fenced Reserves	16.355

8. IJB RESERVES STRATEGY 2021/2022 (CONT.)

8.1 Ring-fenced Reserves (Cont.)

8.1.2 Funding due in 2020/2021, along with funding previously retained by the Scottish Government from previous years, was released in respect of the Primary Care Improvement Fund (£7.328m). This is a hosted service led by South Lanarkshire IJB. Work is ongoing to align the budgets to actual expenditure which will be incurred in 2021/2022. The funding relating to 2021/2022 is held in the South Lanarkshire IJB reserve in order to be available to meet the planned commitments in 2021/2022 for both North Lanarkshire IJB and South Lanarkshire IJB.

8.1.3 The IJB is asked to note that further work is currently being undertaken to confirm the detail of the planned expenditure in respect of the ring-fenced reserves. Progress reports in respect of these key priorities will be presented to future meetings of the IJB.

8.2 Risk-based Reserves Proposals

8.2.1 The balance of risk-based reserves at 31 March 2021 was £7.384m. The IJB is asked to approve the transfer of £10.537m (NHSL - £0.575m; NLC - £9.962m) to the risk-based reserves summarised in the table below and highlighted at appendix 2.

Risk-based Reserve Proposals	£m
Social Care Demand	0.774
Prescribing Reserves	0.575
IJB Financial Plan Contingency Reserve	6.188
Long Covid Contingency Reserve	3.000
Total Risk-fenced Reserves Proposals	10.537

8.2.2 The revised risk-based reserves total £17.921m.

8.3 Ear-marked Reserves Proposals

8.3.1 Part of the underspend reported was in respect of core services. This was mainly due to the impact of the emergency response to the Covid-19 pandemic and the requirement to reprioritise services. Some services had to be stood down in order to release staff to respond to the pandemic, the cost of which was funded by the Scottish Government. Subject to the requirement to continue to respond to the ongoing Covid-19 pandemic, which remains the priority, the recovery and remobilisation of services is being planned and, where possible, taken forward.

8.3.2 Following consultation with the NHSL partner, the IJB is asked to approve the following earmarked reserves summarised in the table below and highlighted at appendix 3.

Ear-marked Reserve Proposals – NHSL	£m
Minor Repair and Replacement Programme of Work	1.500
Speech, Language and Therapy Services	1.057
Sexual Health Services	0.595
Dietetics Services	0.180
Health Visiting Services	0.350
Children and Adolescent Mental Health Services	0.843
Psychology Services	0.215
Nursing Services	0.412
Administration Support	0.196
High Resource User Project	0.142
Operational Demands	0.390
Total Ear-marked Reserves Proposals - NHSL	5.880

8. IJB RESERVES STRATEGY 2021/2022 (CONT.)

8.3 Ear-marked Reserves Proposals (Cont.)

8.3.3 Following consultation with the NLC partner, the IJB is asked to approve the following earmarked reserves summarised in the table below and highlighted at appendix 4.

Ear-marked Reserve Proposals – NLC	£m
Digital and IT Strategy	0.600
Shifting the Balance of Care	1.245
Operational Demands	0.278
Social Care Quality Assurance Team	0.150
Community Alarm Service - Care Inspectorate Requirements	0.140
Total Ear-marked Reserves Proposals - NLC	2.413

8.4 Contingency Reserves

8.4.1 There is no proposed change to the general contingency reserve of £3.684m (NHSL - £3.684m; NLC – Nil). This represents 0.6% of the IJB financial envelope. Taking into consideration the risk-based reserves of £17.921m (NHSL - £4.746m; NLC - £13.175m), the funding available to mitigate both risks and unplanned events totals £21.605m (NHSL - £8.430m; NLC - £13.175m). This represents 3.2% of the IJB financial envelope.

8.4.2 The IJB is asked to endorse the principle that the total reserve of £21.605m is sufficient to mitigate risks and unplanned events during the remainder of the Covid-19 pandemic and post-Covid.

8.4.3 The IJB is also asked to note that both partners will continue to submit returns to the Scottish Government in respect of the additional Covid-19 expenditure being incurred. It may be necessary to request further funding from the Scottish Government to fund ongoing additional expenditure. The financial position continues to be closely monitored.

8.5 Joint Strategic Commissioning Priorities

8.5.1 Following the first wave of the Covid-19 pandemic, recovery actions were identified and discussed through the Remobilisation Group. A range of proposals to address health inequalities were considered however due to the resurgence of the Covid-19 pandemic during 2020 and also the uncertainty in respect of the additional Scottish Government funding available, these initiatives could not be advanced during 2020/2021. On 24 February 2021, the NHSL partner approved an additional non-recurring partner contribution to the North Lanarkshire IJB totalling £2.781m to progress joint strategic commissioning priorities in 2021/2022. The original funding has been reduced by £0.286m from £2.781m to £2.495m. In line with the hosted services arrangements, part of the funding has been realigned to the South Lanarkshire IJB for mental health services (£0.201m). The balance of £0.085m is subject to final clarification. For completeness, the details of the previously agreed reserves, including adjustments, are attached at appendix 5 for noting.

9. RISK

9.1 The financial year 2020/2021 was unprecedented. The emergency response to the Covid-19 pandemic has had a significant operational and financial impact on service delivery, the achievement of the Strategic Commissioning Plan and the financial planning assumptions of the original IJB Financial Plan 2020/2021. This impact is continuing into 2021/2022. Risk management arrangements are in place for the IJB and each partner.

9.2 The establishment of reserves is a key element of the overall governance arrangements to mitigate financial risk in particular the risk-based and contingency reserves.

9. RISK (CONT.)

9.3 The reserves funding is non-recurring and should not be allocated to meet recurring costs. If there is an agreement to fund recurring costs with non-recurring reserves funding, in consultation with the partner, the Chief Financial Officer will agree the exit strategy before the funding is exhausted or identify a potential recurring funding solution.

10. IMPLICATIONS

10.1 NATIONAL OUTCOMES

The effective management of financial resources contributes to the achievement of the national outcomes.

10.2 ASSOCIATED MEASURE(S)

Each partner is required to remain within their approved budgetary provision.

10.3 FINANCIAL

This paper has been reviewed by Finance:

Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input type="checkbox"/>
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10.4 RISK ASSESSMENT/RISK MANAGEMENT

The financial risks are detailed at section 9.

10.5 PEOPLE

None

10.6 STAKEHOLDER ENGAGEMENT

The Director of Finance of NHSL and the Head of Financial Solutions of NLC have both been consulted on the proposed IJB Reserves Strategy 2021/2022 for the North Lanarkshire IJB.

10.7 INEQUALITIES & FAIRER SCOTLAND DUTY

Equality and Diversity Impact Assessment Completed & Fairer Scotland Impact Assessment Form Completed:

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
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10.8 CARBON MANAGEMENT IMPLICATIONS

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
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11. BACKGROUND PAPERS

None.

12. APPENDICES

Ring-fenced Reserves	Appendix 1
Risk-based Reserves	Appendix 2
Earmarked Reserves Proposals - NHSL	Appendix 3
Earmarked Reserves Proposals - NLC	Appendix 4
Joint Strategic Commissioning Priorities – Previously Approved	Appendix 5
IJB Reserves Policy - Extract	Appendix 6

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CHIEF OFFICER (or Depute)

Members seeking further information about any aspect of this report, please contact Marie Moy on telephone number 01698 453709.

RING FENCED RESERVES

APPENDIX 1

Ref.	Investment Priority	£m
1	<p>Covid-19 Funding</p> <p>Additional funding was provided in 2020/2021 to the Health and Social Care sector for Covid-19 cost pressures, of which a total of £561m was allocated to all IJBs. This included funding for additional costs and sustainability payments to care providers, wider increased costs in social care support, reducing delayed discharge, loss of income and additional staffing. It was understood that as some of the allocations were necessarily based on estimated costs, there would be under or overspends against the ring-fenced Covid-19 funding at the year-end within individual IJBs. Any IJB reporting an overspend was able to report this to the Scottish Government to receive additional funding. This ensured the Cabinet Secretary's commitment to meet all reasonable additional Covid-19 costs incurred was fully complied with. Any underspend of the Covid-19 funding is to be carried forward in a ring-fenced reserve to meet Covid-19 costs in 2021/2022. In respect of the North Lanarkshire IJB, of the total funding of £23.607m (NHSL - £7.621m; NLC - £15.986m) received in 2020/2021, Covid-19 costs incurred in 2020/2021 totalled £21.342m (NHSL - £6.145m; NLC - £15.197m). The IJB is therefore asked to endorse the transfer of £2.265m (NHSL - £1.476m; NLC - £0.789m) to the Covid-19 Funding reserve.</p>	2.265
2	<p>Community Living Change Fund</p> <p>The Community Living Change Fund was allocated in 2020/2021 to Integration Authorities to deliver the redesign of services for people with complex needs, including intellectual disabilities and autism, or who have enduring mental health problems. This includes the discharge of those that have encountered lengthy hospital stays or who might have been placed outside of Scotland and who could now more appropriately be supported closer to home. This fund should ensure that, going forward, assessment and treatment beds are used only for that purpose and that people do not endure long, unnecessary stays in hospital. This will require disinvestment in institutional care as more individuals with complex needs are supported in the community. As plans will need to be developed with the support of housing colleagues, there may be a lead in time. The funding can therefore be held for a period of up to three years. The IJB is therefore asked to endorse the transfer of £1.298m (NHSL - £1.298m; NLC - Nil) to the Community Living Change Fund reserve pending further discussion with the NLC partner. The basis of the allocation was GAE learning disabilities, mental health and averages.</p>	1.298
3	<p>Integrated Authority Support</p> <p>Funding was allocated to Integration Authorities in 2020/2021 in respect of the ongoing financial pressures in relation to the Covid-19 pandemic. These include supporting financial sustainability across the social care sector, new ways of working developed in-year and additional capacity requirements across health and social care services. The IJB is therefore asked to endorse the transfer of £6.076m (NHSL - £6.076m; NLC - Nil) to the Integrated Authority Support reserve pending further discussion with the NLC partner. This basis of the allocation was GAE for social care.</p>	6.076

RING FENCED RESERVES (CONT.)

APPENDIX 1 (CONT.)

Ref.	Investment Priority	£m
4	<p>Adult Social Care Winter Preparedness Plan</p> <p>Funding to implement the actions set out in the Adult Social Care Winter Preparedness Plan has been made available. The first tranche of funding totalling £3.190m was received in December 2020. The second tranche of £1.941 was received in January 2021. The IJB is therefore asked to endorse the transfer of £1.941m (NHSL - £1.941m; NLC – Nil) to the Adult Social Care Winter Preparedness Plan reserve pending further discussion with the NLC partner. This basis of the allocation was a hybrid of GAE and sustainability claims. This funding will support social care users in residential, community and home settings and also the people who provide the care, including unpaid carers. Actions outlined in the plan include the following:</p> <ul style="list-style-type: none"> ▪ Prioritise the 'home first' approach to care. ▪ Enhance infection prevention and control measures. ▪ Support the arrangements necessary to restrict staff movement across care settings. ▪ Review daily residents and staff in care homes for Covid-19 symptoms to promote early testing and pre-emptive infection control measures. ▪ Expand testing access for the care at home workforce and designated visitors. ▪ Continue to the end of March 2021 the Social Care Staff Support Fund, the winter sustainability funding and free PPE emergency top-ups. ▪ Promote access to wellbeing services across the workforce. ▪ Support the additional administration costs associated with the pandemic and outbreak management and work with care homes to provide access to digital devices and improve connectivity. 	1.941
5	<p>Scottish Government Priorities</p> <p>Between January 2021 and March 2021, the Scottish Government allocated funding to IJBs for commitments in 2021/2022. This included funding previously retained by the Scottish Government in respect of earlier financial years (2019/2020 and before). Original plans had to be reprioritised due to the constraints of the pandemic. This funding requires to be added to the IJB reserves and ring-fenced for specific policy purposes. It is therefore not available to meet other recurring cost pressures. The IJB is therefore asked to endorse the transfers to the following ring-fenced reserves:</p> <ul style="list-style-type: none"> ▪ Alcohol and Drug Partnerships Funding £0.964m ▪ Alcohol and Drug Partnerships Funding – Reducing Drug Deaths £0.197m ▪ Mental Health Services – Action 15 £2.358m ▪ Mental Health Services - Distress Brief Intervention £0.300m ▪ Mental Health Services - Perinatal Services £0.242m ▪ Mental Health Services – Other Services £0.205m ▪ Sexual Health Services - Forensic Medical Examinations £0.182m ▪ Nursing Services Funding £0.133m ▪ Pharmacy Services - NHS Education For Scotland Training £0.145m ▪ Other ring-fenced reserves £0.049m <p>Total £4.775m</p>	4.775
Total Ring-fenced Reserves		£16.355m

RISK-BASED RESERVES

APPENDIX 2

Ref.	Investment Proposal	£m
1	<p>Social Care Demand</p> <p>The risk-based reserve originally established to meet the potential cost in respect of sleepover rates is no longer required for this purpose and can be released following the favourable outcome of the court case. The IJB is asked to approve that this original reserve is now allocated to meet social care demand pressures, in particular demographic growth. In addition to this, the IJB is also asked to approve a further allocation to the social care demand reserve of £0.774m. The total value of the reserve would therefore be £3.988m (NHSL – Nil; NLC - £3.988m).</p>	0.774
2	<p>Prescribing Reserves</p> <p>The IJB is asked to approve the allocation of £0.575m to the existing prescribing reserve of £3.786m. The total reserve of £4.361m (NHSL - £4.361m; NLC – Nil) represented 6% of the prescribing budget of £71.588m.</p>	0.575
3	<p>IJB Financial Plan Contingency Reserve</p> <p>The IJB is asked to approve the allocation of £6.188m (NHSL - Nil; NLC – £6.188m) to an IJB Financial Plan Contingency Reserve. The purpose of this risk-based reserve is to mitigate the potential adverse financial impact of the Covid-19 pandemic, the potential future constraints in respect of Scottish Government financial settlements, the increase in demographic growth and the challenges of implementing transformational change and delivering on planned efficiency savings in a post Covid-19 environment. With the exception of £0.026m which will be drawn down in 2021/2022, the majority of the IJB Financial Plan Contingency Reserve would be drawn down in 2022/2023 (£6.162m).</p>	6.188
4	<p>Long Covid Contingency Reserve</p> <p>The longer-term impact of the Covid-19 pandemic is still to be confirmed. It is expected that there will be an increase in demand for social care services over the forthcoming 3 year period when the longer term ill health effects of the Covid-19 virus become apparent. The IJB is asked to approve the allocation of £3.000m (NHSL - Nil; NLC – £3.000m) to the Long Covid Contingency reserve. The purpose of this risk-based reserve is to mitigate the potential adverse financial impact of Long Covid over a 3 year period.</p>	3.000
Total – Risk-based Reserves		10.537

Ref.	Investment Proposal	£m
1	<p>Minor Repair and Replacement Programme of Work The allocation of funding totalling £1.500m (NHSL – £1.500m; NLC - Nil) to progress a programme of minor repair and replacement work across 19 sites. A further 7 sites are also being assessed for minor alterations. This investment will improve the facilities for both patients and staff and help to maintain property standards.</p>	1.500
2	<p>Speech, Language and Therapy Services The allocation of funding totalling £1.057m (NHSL – £1.057m; NLC - Nil) in the Speech, Language and Therapy Services. This includes funding to meet the contractual commitments for this service and to address the waiting time targets particularly for the Paediatrics Service.</p>	1.057
3	<p>Sexual Health Services The allocation of funding totalling £0.595m (NHSL – £0.595m; NLC - Nil) in the Sexual Health Services will increase clinic capacity as follows.</p> <ul style="list-style-type: none"> ▪ The performance of NHSL in respect of the provision of Long Acting Reversible Contraception (LARC) procedures is poor despite an increase of 2,000 LARC procedures being performed within existing resources. In order to increase capacity to achieve service targets, two LARC clinics will be established for a duration of 2 years. The total cost will be £0.467m. The number of LARC procedures available will increase by 2,680 over the 2 year period. ▪ Covid 19 restrictions led to a large reduction in the numbers of patients who could be tested for sexually transmitted infections (STIs) during lockdown. In addition, laboratory services were testing samples for Covid-19 which significantly reduced the capacity to undertake STI tests. In order to reduce the backlog of patients which accumulated during the pandemic, £0.128m will be invested to establish 20 Express Clinics per week with 9 appointments per clinic and 5 mixed face to face/telephone clinics per week. This would increase capacity by 90 tests per week. The clinics would be operational for a fixed term period of 12 months. Undiagnosed STIs on an individual basis can lead to long term sequelae and, on a public health level, ongoing transmission. 	0.595
4	<p>Dietetics Services The allocation of funding totalling £0.180m (NHSL – £0.180m; NLC - Nil) in the Dietetics Service to promote weight management and oral nutrition.</p> <ul style="list-style-type: none"> ▪ In 2021/2022, within Dietetic Services, 5 members of staff are retiring and 5 members of staff will be on maternity leave. Staff redeployment and more efficient working patterns due to virtual technology have been employed as far as possible however investment is required to maintain the service for patients who receive home enteral feeding. This is an extremely vulnerable group of patients who require specialist dietetic support to manage their nutritional status. Due to long term absence and promotion, there is a risk of a gap in service for inpatients with complex nutritional needs. The cost of £0.046m can be funded from the 2020/2021 underspend following a rebate which was returned to the service as part of a supplies contract. ▪ As per Scottish Government guidance in March 2020, the Dietetics Service focused on providing treatment to those patients categorised as priority one. In addition, community dietetic staff were redeployed to provide support within the acute dietetic service, to support the vaccine programme or to backfill members of staff who were undertaking these roles. In order to address the significant backlog of individuals waiting for weight management interventions, £0.049m is being invested to fund 1 WTE Dietician for a fixed term period of 1 year. ▪ A new supplier was recently agreed to provide the Oral Nutritional Support Contract over a five year period. The additional cost is £0.019m per annum. A reserve of £0.038m is being established to fund the contract for 2 years during which time a recurring funding solution will be sought to manage the additional cost over the remaining 3 years of the contract. ▪ Non-recurring funding totalling £0.047m is also being directed to address the waiting list over the forthcoming 18 month period. 	0.180

EAR-MARKED RESERVES PROPOSALS – NHSL (CONT.)

APPENDIX 3 (CONT.)

Ref.	Investment Proposal	£m
5	<p>Health Visiting Services</p> <p>The allocation of funding totalling £0.350m (NHSL – £0.350m; NLC - Nil) in the Health Visiting Service. In 2014, the Cabinet Secretary announced an additional 500 WTE Health Visitors across Scotland to support implementation of the Children and Young People (Scotland) Act (2014) and the Universal Pathway. NHS Lanarkshire was allocated an additional 37.4 WTE based on application of a caseload weighting tool and this expansion of the work force has been achieved. The historic turnover of Health Visitors is approximately 6 WTE per annum. There are changes to the NHS Pension Scheme and there is a likelihood that there will be an increase in the number of retirements. In order to mitigate the risk to the Health Visiting Service, it is proposed to support 8 Health Visiting students commencing 2021/2022. Unlike other cohorts of students, this cohort will not be guaranteed a job on the successful completion of their Health Visiting course. This therefore mitigates the potential risk of being over-established.</p>	0.350
6	<p>Children and Adolescent Mental Health Services</p> <p>The allocation of funding totalling £0.938m (NHSL – £0.938m; NLC - Nil) in the Children and Adolescent Mental Health Service (CAMHS). Children and young people with mental health problems represent some of the country’s most vulnerable people. Part of this investment (£0.717m) will support the Choice and Partnership Approach (CAPA), which aims to improve access and reduce waiting times for families entering the service, whilst also meeting the existing and new performance targets. Additional nursing posts will aim to divert crisis, urgent and unscheduled work from the locality teams and support CAMHS, as a whole, to facilitate the CAPA model to achieve the desired outcomes previously mentioned. The balance of the funding will be invested in the neurodevelopmental pathway (£0.095m), a Service Improvement Post to progress the service developments over an 18 month period (£0.088m) and a Waiting List Co-ordinator (£0.038m) to support the management of demand. The plan is to expand the service to accommodate an extended age range, to implement waiting list initiatives and to clear the backlog.</p>	0.938
7	<p>Psychology Services</p> <p>The allocation of funding totalling £0.120m (NHSL – £0.120m; NLC - Nil) which will be invested in additional staff support within the Psychology Services (£0.120m).</p>	0.120
8	<p>Nursing Services</p> <p>The allocation of funding totalling £0.412m (NHSL – £0.412m; NLC - Nil), part of which will be invested in additional Nursing Student capacity (£0.107m) and additional School Immunisation Support (£0.305m).</p>	0.412
9	<p>Administration Support</p> <p>The allocation of funding totalling £0.196m to increase administration support capacity for a fixed term period to support the additional management posts within the structure and to ensure equity of access to secretarial support on the basis of 0.5 WTE per full time Senior Manager. Recruiting and retaining administration support is essential to support the agreed Programme of Work, the transformational change agenda and the additional requirements as a result of the Covid-19 pandemic. A recurring solution will require to be identified to maintain the necessary administrative support.</p>	0.196

EAR-MARKED RESERVES PROPOSALS – NHSL (CONT.)

APPENDIX 3 (CONT.)

Ref.	Investment Proposal	£m
10	<p>High Resource User Project The allocation of funding totalling £0.142m to invest in a change management programme of work within locality partnerships and structures, drawing on the learning and practice from the previous High Resource User project, to develop a multi-agency care management response for meeting the needs of vulnerable individuals across the six localities of North Lanarkshire over a two-year period. A short life working group (SLWG) led by Public Health in 2016 found that individuals who frequently attend Emergency Departments often have complex medical and psychosocial needs. They are typically considered to be psychologically and socially vulnerable in addition to experiencing health difficulties. Evidence confirms that by working with individuals using a care management approach, Emergency Departments attendances, and all associated costs, can be reduced and the individual’s clinical and social outcomes improved.</p>	0.142
11	<p>Operational Demands The allocation of funding totalling £0.390m to address non-recurring operational demands including the Supervisor Training Programme (£0.067m - 3 year duration), Adverse Events Project Manager (£0.064m), Joint Equipment Store (£0.054m), Nursing Quest Patient Safety posts (£0.054m), Champion’s Board funding (£0.045m), Children’ Services Manager post (£0.040m), Prisoner Medical Leadership (£0.026m), Assistant Support Worker (Promise) (£0.026m) and Kings Fund Organisational Development (£0.014m). The total funding allocation is therefore £0.390m (NHSL – £0.390m; NLC – Nil).</p>	0.390
Total – Ear-marked Reserves Proposals - NHSL		5.880

EAR-MARKED RESERVES PROPOSALS – NLC

APPENDIX 4

Ref.	Investment Proposal	£m
1	<p>Digital and IT Strategy</p> <p>The NLC partner is implementing the Digital and IT Strategy 2019-2024 for North Lanarkshire. This strategy was approved in May 2019. For the first time, the strategy brought together separate but related plans and policies to help deliver a one council, place-based approach to ensure the route to inclusive growth was continued. The NLC partner’s vision is for ‘digital first’ to become the default for all customer enquiries, requests and applications. To support this vision, plans for a Customer Service Hub and a new website are well underway. The NLC partner’s Covid-19 Recovery Plan and continuing social distancing requirements reinforce this digital first approach and provide further impetus to change the way services are delivered. The IJB is asked to approve the establishment of an earmarked reserve totalling £0.600m (NHSL- Nil; NHSL - £0.600m) to complement the ongoing work with a focus on the digital improvements which will be beneficial across social care services.</p>	0.600
2	<p>Shifting the Balance of Care</p> <p>In respect of the ambition to keep people safe and well at home, the IJB is asked to approve an allocation of £0.314m to further invest in Home Support Service developments, £0.300m to augment the winter plan support arrangements, £0.269m to further progress the discharge to assess arrangements, including the Planned Date of Discharge approach which is improving patient discharge pathways and sustaining a reduction in the delayed discharge statistics, £0.212m to increase Social Work assessment capacity and £0.150m to augment Advocacy Services and rebalance the equity in access to advocacy services for adults and older adults. The total funding allocation is therefore £1.245m (NHSL – Nil; NLC - £1.245m).</p>	1.245
3	<p>Operational Demands</p> <p>The IJB is asked to approve the allocation of funding totalling £0.278m to address non-recurring operational demands including a review to assess the future impact of the Covid-19 pandemic (£0.100m), IT support (£0.083m), recycling of community alarm units (£0.050m), self-directed support transformational capacity (£0.025m) and joint store capacity (£0.020m). The total funding allocation is therefore £0.278m (NHSL – Nil; NLC - £0.278m).</p>	0.278
4	<p>Social Care Quality Assurance Team</p> <p>A reserve was previously established to increase the capacity of the Social Care Quality Assurance Team. The balance of the reserve at 31 March 2021 was £0.013m. The IJB is asked to approve additional funding of £0.150m (NHSL – Nil; NLC - £0.150m). The total reserve would therefore be £0.163m.</p>	0.150
5	<p>Community Alarm Service – Care Inspectorate Requirements</p> <p>A reserve was previously established to address the Care Inspectorate requirements regarding the staffing levels within the Community Alarm Service. The balance of the reserve at 31 March 2021 was £0.031m. The IJB is asked to approve additional funding of £0.140m (NHSL – Nil; NLC - £0.140m). The total reserve would therefore be £0.171m.</p>	0.140
Total – Ear-marked Reserves Proposals - NLC		2.413

JOINT STRATEGIC COMMISSIONING PRIORTIES

APPENDIX 5

Ref.	Investment Priority – Previously Approved	£m
1	This additional funding will support the implementation of the improvement actions agreed following from CAHMS deep dive.	0.900
2	The North Lanarkshire IJB hosts the Equipment Loan Store which provides essential equipment to both the North and South Lanarkshire Health and Social Care Partnerships. The North Lanarkshire IJB also hosts the Hospital at Home Service. This additional funding contribution will address the increase in demand as a result of the Covid-19 pandemic.	0.500
3	<p>The aims and vision of the Lanarkshire Mental Health Strategy (LMHS) include a Lanarkshire free from Mental Health Stigma and Discrimination. Across Lanarkshire, the psychological impact of Covid-19 is also serious, widespread and potentially long lasting. Although Covid-19 has affected everyone, the impact on mental health and wellbeing has been far from equitable. Vulnerable individuals have been more disadvantaged as a direct or indirect consequence of the virus. Establishing a project team with dedicated expertise is essential to achieve the LMHS vision particularly post pandemic. Key actions include:</p> <ul style="list-style-type: none"> ▪ Establish ten locality Mental Health and Wellbeing Hubs. ▪ Promote choice and safety with regard to online/face-to-face Stress Control and Mindfulness support. ▪ Increase dedicated resources for Suicide Prevention in South Lanarkshire to develop a Well-Connected application and improve accessibility, reach and flexibility for new pathways. ▪ Embed stigma free approaches and build inclusive healthcare. <p>The total reserve approved by the North Lanarkshire IJB, who are the lead for this hosted service, was £0.411m. As part of the year-end process, 49% of the funding (£0.201m) has been realigned to the South Lanarkshire IJB. The balance of the funding of £0.210m is retained by the North Lanarkshire IJB.</p>	0.210
4	The Third Sector and Voluntary Sector have made a significant contribution throughout the Covid-19 pandemic and will continue to be instrumental during the recovery period through measures such as social prescribing and the use of green spaces. This funding contribution will support further initiatives.	0.300

JOINT STRATEGIC COMMISSIONING PRIORTIES – PROPOSALS (CONT.)

APPENDIX 5 (CONT.)

Ref.	Investment Priority – Previously Approved	£m
5	A letter from the Chief Medical Officer recently outlined the settings-based health promotion approach which aims to support the development of a health promoting culture and to embed effective health improvement practice within acute and community hospital settings as well as health and social care partnerships. It is intended that this funding will support initiatives to improve healthy life expectancy and to address health inequalities for staff and patients alike. The amount originally approved was £0.277m however this has been adjusted by £0.085m to £0.192m pending further clarification with the NHSL partner.	0.192
6	This is additional support for the roll out of the community IT project to address the slippage in the implementation plan as a result of the Covid-19 pandemic.	0.200
7	Under the governance of the Population Health and Primary Care Governance Group, the draft NHSL Integrated Population Health Plan was developed in late 2019 by the Director of Public Health, a Public Health Consultant and the Head of Health Improvement. Lanarkshire’s health, like that of Scotland as a whole, was an improving picture pre the Covid-19 pandemic. However, whilst improving, the gap in inequalities between the most and least deprived groups had grown. This has been amplified by the pandemic and our most vulnerable populations have been most adversely affected. The evidence available confirms that the impact of the Covid-19 pandemic is more severe on those who are most socio-economically disadvantaged and experiencing inequality. There is therefore a need to sharpen and strengthen our focus on prioritising whole system preventative population health approaches to reduce the persistent and pervasive health inequalities which have existed across Lanarkshire pre Covid-19 and which are likely to significantly worsen as a result of the impacts of the pandemic. In order to ensure NHSL respond to the direct and indirect impacts of Covid-19 on vulnerable populations, there is a need to establish a new dedicated Vulnerable Populations post within the Health Improvement Team to better understand the impact and scope of Covid-19 on vulnerable populations, including patients, staff and the wider public who fall into these groups. In particular, the postholder will consider those in SIMD 1 and 2, BAME communities and other known high risk groups for Covid-19.	0.133
8	An enhancement in data analytics is required in order to undertake detailed surveillance, epidemiology and action at locality level. This analysis will be needed for the foreseeable future in order to prevent the future resurgence of the Covid-19 pandemic.	0.060
Total Joint Strategic Commissioning Priorities - Previously Approved		2.495

As the North Lanarkshire Integration Joint Board (IJB) has the same legal status as a local authority, i.e. a section 106 body under the Local Government (Scotland) Act 1973 Act, and is classified as a local government body for accounts purposes by the Office of National Statistics, it is able to hold a General Fund and this General Fund will be accounted for in the financial accounts and records of the IJB.

The North Lanarkshire IJB Reserves Policy allocates funding to a ring-fenced, earmarked, risk-based or contingency reserve. Extracts of Section 2 and Section 3 of the IJB Reserves Policy is noted below for background information. For each reserve there should be a clear protocol setting out the reason / purpose of the reserve, how and when the reserve can be used, procedures for the reserves management and control and the review timescale to ensure continuing relevance and adequacy.

IJB Reserves will be held for four specific purposes as follows:

- **Ring-fenced Reserves**
A ring-fenced reserve will be established when funding has been received for a specific purpose. If the funding has been received during the year but has not been spent by the year-end, the funding may be accounted for by the partner as a pre-payment in line with agreed accounting standards. If the funding cannot be accounted for as a pre-payment, the IJB will be asked to establish a ring-fenced reserve to ensure the funding received remains available for the specific purpose intended and to minimise the risk that the partner would be asked to repay funding which has not been spent in line with the conditions of receipt of the funding.
- **Ear-marked Reserves**
An ear-marked reserve will be established when funding has been allocated by the IJB to the partner to commission services in line with agreed directions however the service has not been delivered by the year-end but a commitment has already been made under the delegated authority by the Chief Officer, which cannot be accrued at specific times (e.g. at the year-end) due to not being in receipt of the service or goods.
- **Risk-based Reserves**
A risk-based reserve will be established to provide a contingency to address a specific financial risk. Following consultation with each partner, the IJB Chief Financial Officer will recommend to the IJB the need to establish such a reserve and the amount the reserve should be set at. The amount of such a reserve will be dependent on the professional judgement of the relevant officers and also the constraints of the overall financial envelope within which both the partners and the IJB are operating.
- **Contingency Reserves**
A contingency reserve will be established by the IJB to cushion the impact of unexpected events or emergencies. The contingency reserve would also provide a working cash balance to help cushion the impact of uneven cash flows. It is noted that the amount of the contingency reserve will be constrained by the financial envelope available to the IJB from the partners and the commissioning intentions agreed with the partners in the IJB Strategic Plan to meet need.