



REPORT TO: East Lothian Integration Joint Board

MEETING DATE: 24 March 2022

BY: Interim Chief Finance Officer

SUBJECT: 2022/23 Budget Setting

1 PURPOSE

1.1 This report lays out the budget offers for 2022/23 from the IJB's partners (East Lothian Council and NHS Lothian) and considers if these meet both the Scottish Government's and the IJB's own criteria for acceptance. The report, utilising the information provided from the partners then considers the outline financial position for the IJB for 2022/23 and, given that this indicative position is balanced, asks the IJB to agree to set its 2022/23 budget.

2 RECOMMENDATIONS

2.1 The IJB is asked to:

- i. Agree that the budget offer from East Lothian Council meets the Scottish Government criteria;
- ii. Agree that the budget offer from NHS Lothian meets the Scottish Government criteria;
- iii. Note the projected movement in the IJB's Reserves;
- iv. Note the projected financial position for 2022/23; and
- v. Agree that the 2022/23 budget proposal is, at this time, balanced and therefore agree to set the IJB's indicative 22/23 budget.

3 BACKGROUND

Background and Process

3.1 The IJB is required to set a balanced budget before the start of the financial year as laid out in the local authority regulations that govern the IJB. East Lothian Council have set a budget but NHS Lothian will not formally set a budget until its April Board meeting. NHS Lothian is required to break-even at the end of the financial year and therefore its April paper generally does not show a balanced position but shows a potential overspend position

and therefore reflects the financial challenge that requires to be managed in year.

- 3.2 Both partners are required to make formal budget offers to the IJB prior to the start of the financial year and both have, although NHS Lothian's offer is indicative in that it has not yet been formally agreed and there will be further allocations made to the Board (which will then become part of the IJB's budget, for example the GMS uplift) in year.
- 3.3 The IJB's practice is to subject the partners' budget offers to 3 tests:-
- Does the offer meet the guidelines laid down by the Scottish Government as part of its budget setting process?
 - Is the offer 'fair' – that is a fair and reasonable amount given the overall resources available to the partner?
 - Is the offer 'adequate' – that is will this offer allow the IJB to set a balanced budget?
- 3.4 As part of the 22/23 budget setting process, the IJB had a finance workshop in January (at which the partners' CFOs reflected on the impact of the Scottish Government's settlement on their respective organisations) and a paper was presented to the IJB in February providing further financial analysis and further detail.
- 3.5 The final part of the process is for the IJB to consider the partners budget offers as above and then, having considered the projected financial position in 2022/23 to set (if possible) a balanced budget.

Budget Offers from the Partners

- 3.6 The budget offer letter from NHS Lothian is attached to this report. The budget offer letter from East Lothian Council will follow shortly. Both offers are assessed below:

East Lothian Council

- 3.6.1 The Scottish Government's guidelines for Councils are that the budget offer should be at least the base recurring budget plus the appropriate share of the additional allocations made available for social care in the 22/23 budget settlement. East Lothian council has met those guidelines. It's clear both from examining the Scottish Government's 22/23 budget and the briefing given to the IJB by the Council's CFO that the 22/23 settlement for Local Authorities was very challenging. On that basis, the offer can certainly be seen as fair.
- 3.6.2 In terms of adequacy, it seems that the base position (that is before any further 21/22 allocations), although underpinned by a considerable amount of support for Covid pressures will be overspent. Without additional resources in 22/23 from the budget settlement this base budget would

probably not be sustainable but the additional funding from the 22/23 settlement should resolve any underlying pressures. The East Lothian Council offer meets the IJB acceptance criteria. It should be noted that East Lothian has revised its 21/22 budget to take into account the additional winter funds allocated by the Scottish Government in November 2021 – this was discussed in detail in the paper presented to the IJB in December 2021. Elements of the Winter funding are effectively recurrent and this has the effect of splitting the shares of the £554m over 2021/22 and 2022/23. This is laid out in Appendix 1

NHS Lothian

- 3.6.3 The Scottish Government's guidelines for Health Boards are that the offer should be at least the recurrent baseline plus a 2% uplift on that baseline plus cover for the increased costs of the employers NI contributions that will come into force after April.
- 3.6.4 The offer meets that criteria. It should be remembered that the baseline on which the 2% is calculated is less than the operational baseline which contains elements of funding which are not uplifted through the baseline. That is why multiplying the apparent baseline by 2% produces a slightly different value. Given previous discussions the offer can be seen as a fair share of the resources available to the Health Board. The issue of adequacy is slightly more challenging given that the projection shows an overspend position for the IJB. However, and this is discussed further below, actions are in train to manage this position and the NHS Lothian offer meets the IJB's acceptance criteria.

Reserves

- 3.7 The finance paper presented to the IJB at its February meeting noted that there would be an underspend position for the IJB at the close of 21/22. The detailed position won't finally be known until the end of April when the partners declare an out-turn 21/22 position, but NHS Lothian is forecasting an underspend and the impact of the additional Winter funding received by the IJB in November (this was reported to the IJB at its December '21 meeting) will generate a significant carry forward. This will mean that, excluding Covid, the IJB's reserves will increase significantly (perhaps by c. £2.0m) although much of that will be earmarked funds.
- 3.8 As was discussed in the February Finance paper, there has been a significant financial pressure caused by the impact of the Covid pandemic and that has been underpinned by additional funds from the Scottish Government. That pressure will continue into 22/23. The Scottish Government has made a further allocation (letter of 25th February 2022 – attached) to Health Boards and Integration Joint Boards to cover the costs of Covid in 21/22 with the clear assumption that an element of these funds will be carried forward into 22/23 to cover the costs of Covid in that financial year. Work is currently underway to finalise the value of the amount to be

carried forward but it is expected to provide cover for the majority of the currently projected 22/23 Covid costs.

- 3.9 In summary, the value of the IJB's reserves (both general and earmarked) will be greater at the end of 21/22 than they were at the end of 20/21. Clearly this allows the IJB a considerable level of comfort when setting its 22/23 budget, however there are two key points:
1. That funding from reserves is non-recurrent and therefore if non-recurrent funding is being used to support recurrent expenditure then further plans need to be developed to support the 23/24 position. This work is already underway and is discussed further below,
 2. That the IJB's general reserve is now adequate to meet the target in its reserves policy and it is proposed that elements of these funds should be used to drive forward transformational work to support the delivery of the strategic plan. That has already happened with the appointment of the performance team but further developments could be considered.

Financial Projection for 22/23.

- 3.10 This was discussed in detail in the February paper and the projections have not materially changed. In summary the key elements are:-

Core health and Social Care budgets – these are the local health budgets and the social care budgets managed by the HSCP. A detailed exercise has been undertaken by the HSCP management team and its finance support to examine the pressures in their budgets and the ambitions to invest elements of the new funding to develop improved services. This exercise has now resulted in balanced position for 22/23 albeit with an element of non-recurrent support (earmarked funds for Care at Home and Interim Care being brought forward from 21/22 as described above). Once this exercise is finalised – having agreed the 21/22 out-turn position – further work will consider the 23/24 position.

Set Aside and Hosted – the February paper indicated a net (net of Covid funding) pressure of c. £1.2m of which c. £983,000 was Set Aside. Management of pressures in the hosted services will be supported by the HSCP management team but the key concern at this time is the projected pressures within the Set Aside budget. Work has started with Acute colleagues to understand these issues more fully and for the IJB, if possible, to support the delivery of recovery plans. NHS Lothian has an excellent record of achieving financial balance and further assurance will be sought as to the management of this pressure.

Covid – the above is all predicated on the assumption that the continuing financial pressures generated by the Covid pandemic can be supported. As was discussed above, much of this will be delivered through the carry forward of the unused 21/22 Covid funding and the Scottish Government is clear that its ambition is to support all health and social care Covid pressures in 22/23 if this is achievable. The planning assumption at this

time is that the Covid pressures will be covered in 22/23 but, as has been stated before, the management teams must now develop exit strategies for these Covid generated costs because funds will not be available in 23/24.

Setting a balanced budget

- 3.11 Based on the information available at this time, the IJB is able to set a balanced budget for 22/23 albeit with financial risks around its Set Aside budget and financial pressures generated by the continuing Covid pandemic.
- 3.12 It is proposed, therefore, that the IJB accepts the budget offers from the partners and sets a balanced budget in 22/23 based on these assumptions.

This budget being:-

East Lothian Integration Joint Board

Indicative Budget - 2022/23

	East Lothian Council	NHS Lothian	Total
	£000's	£000's	£000's
Base Budget	59,159	109,408	168,567
Uplifts & Add'n Allocations	8,629	1,817	10,446
22/23 Budget	67,788	111,225	179,013

Next Steps

- 3.17 Having set a budget for 22/23, the IJB can move forward and incorporate the appropriate budgets into its 22/23 directions. Work will continue with the HSCP management team and other colleagues to refine the operational budgets and further reports will come back to the IJB during the financial year as to the performance of the partners against its budget and an analysis of those elements that are being funded non-recurrently. Further work is also underway to sketch out the financial position for 23/24 and this will be part of the further development of the IJB's financial plan.

4 ENGAGEMENT

- 4.1 The IJB makes its papers and reports available on the internet.

4.2 The issues in this report have been discussed with the IJB's partners but do not require wider engagement

5 POLICY IMPLICATIONS

5.1 There are no new policies arising from this paper.

5.2 The recommendations in this report implement national legislation and regulations on the establishment of IJBs.

6 INTEGRATED IMPACT ASSESSMENT

6.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy

6.2 The issues in this report do not require an integrated impact assessment.

7 DIRECTIONS

7.1 There are no Directions implications arising from this paper

8 RESOURCE IMPLICATIONS

8.1 There are no immediate resource implications from this report. Any resource implications from the outcome of the process will be highlighted in a future report if required.

9 RISK

9.1 None

10 BACKGROUND PAPERS

10.1 IJB February 2022 Finance Paper

AUTHOR'S NAME	David King
DESIGNATION	Interim Chief Finance Officer
CONTACT INFO	david.king4@nhslothian.scot.nhs.uk
DATE	17 March 2022

Appendices

- 1. Analysis of movements in the social care budget – 21/22 to 22/23**
- 2. Budget offer & reply to NHS Lothian**
- 3. Budget offer and reply to East Lothian Council (to follow)**
- 4. Letter of 25/2/22 – Further Covid Funding**

Indicative Budget - 2022/23

Analysis of Social Care Budget budget movements

	Non Recurrent £000's	Recurrent £000's	Total £000's
Base Budget 2021/22		57,231	57,231
Winter Funding 202/22			
Care at Home		1,188	1,188
Interim Care	767		767
Provider's Uplift (RLW)		740	740
Closing budget 2021/22	767	59,159	59,926
Closing Recurrent Budget			59,159
Share of 22/23 Settlement			
Carers Act		390	390
Real Living Wage		2,073	2,073
Care at Home Winter Planning		1,202	1,202
FPNC		313	313
Social Care Sustainability		3,841	3,841
Interim Care (non recurring)	386		386
Add'n Social Work Capacity in Adult Services		424	424
Total from 22/23 settlement	386	8,243	8,629
Opening 2022/23 Budget			67,788

	2022/23 National Allocation	2022/23 ELC Allocation	2021/22 £000's	2022/23 £000's	Total £000's
	£m	£000's			
Carers Act	20.400	390		390	390
Real Living Wage	174.500	3,395	1,322	2,073	3,395 **
Care at Home Winter Planning	124.000	2,390	1,188	1,202	2,390
FPNC	15.000	313		313	313
Social Care Sustainability	200.000	3,841		3,841	3,841
Interim Care (non recurring)	20.000	386		386	386
Add'n Social Work Capacity in Adult Services	553.900	10,715	2,510	8,205	10,715

** includes £582k in 21/22 non-recurrently

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EH1 3EG



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By Email Only

Letter to Chief Officer & Chief Finance
Officer of East Lothian IJB

Date 17 March 2022
Your Ref
Our Ref

Enquiries to Craig Marriott
Extension 35543
Direct Line 0131 465 5543
Email Craig.Marriott@nhslothian.scot.nhs.uk

Dear Colleagues,

EAST LOTHIAN IJB – INDICATIVE UPLIFT FOR 2022/23

Further to NHS Lothian's Finance and Resources (F&R) Committee on January 17th, I write to update you on the position relating to uplift to be allocated to East Lothian IJB by NHS Lothian in 2022/23.

We have yet to conclude our financial planning process, and we will look to take a final iteration of the Plan through our F&R Committee on the 21st of March, with final sign off at our Board meeting on the 6th April. The figures shared with you at this stage are therefore indicative until the final Plan has been agreed, and the final SG uplift settlement has been confirmed after the pay uplift for 22/23 is resolved.

In total, and based on the indicative allocation communicated to Boards on the 9th of December from the Scottish Government, NHS Lothian will receive an uplift allocation of 2% against baseline for 2022/23, equating to £31.9m. As agreed and per previous years, we will pass through the full share of this settlement to each IJB, based on budget shares.

The Plan shared at the January Committee recognised a budget of £109,408k for East Lothian IJB. Net of GMS (which will receive a separate uplift allocation) the total recurring budget equates to £96,577k, although this still includes elements of budget beyond the baseline.

The total proportionate share of the £31.9m to be passed through to East Lothian IJB has been calculated at £1,817k. We have assumed that each IJB will continue to prioritise funding of pay awards. At this stage, the Plan for East Lothian IJB shows the following share of resource requirements (see Appendix for further detail):

Pay Uplift	£1,191k
Balance of Uplift	<u>£ 626k</u>
Total Uplift	£1,817k

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Waverley Gate
2-4 Waterloo Place
Edinburgh EH1 3EG

Chair Brian G. Houston
Chief Executive Tim Davison

*Lothian NHS Board is the common
name of Lothian Health Board*



In addition to this allocation, the SG has provided a further allocation to meet the additional costs of employer national insurance. Our intention is to ensure all parts of the NHS system will be fully funded to meet increases in actual costs. We will keep you updated in this regard.

The final review of the NHS Lothian Financial Plan will conclude shortly, and further updates will be incorporated in the final iteration in terms of any agreed changes to the IJB mapping table for 2022/23 (where these are agreed with CFOs), additional savings and efficiencies identified and any further additional resources allocated. A further update on 2022/23 budgets will be provided to you at this time. We would also reiterate that the pay award for 22/23 has yet to be finalised, and there may yet be additional funding due to Boards (and IJBs) as a result of any additional resource released to accommodate any pay agreement. We will of course keep you updated with developments.

Given that our financial planning indicates that the level of uplift is insufficient to meet all cost pressures in the system, I am keen to understand from East Lothian IJB as early as possible how its Directions will shape the delivery of efficiency savings in 2022/23 and the application of resources in support of financial balance.

I would be happy to have further discussion with your IJB in advance of the final confirmation on the application of health resources in 2022/23.

Yours sincerely

A handwritten signature in black ink, appearing to read 'C. Marriott', with a stylized flourish at the end.

CRAIG MARRIOTT
Deputy Director of Finance

	East Lothian IJB
	£k
Full Year Recurring Expenditure Budget	109,408
Baseline Pressures	(534)
Projected Expenditure Uplifts & Commitments	(1,396)
Growth and Other Commitments	(1,797)
Policy Decisions	0
Strategic Investments	0
Essential Service Development	(19)
Unscheduled Care	(15)
Projected Expenditure Uplifts & Commitments	(3,226)
<i>Percentage of Recurring Budget</i>	<i>(2.9%)</i>
Projected Costs	(3,760)
Recurring Resources	
Base Uplift	1,191
National Insurance (HSC Levy)	
NRAC	
OHB Income	
Non Recurring Resources	
VPAS	60
Reserves	
Asset Disposal	
Flexibility	
Additional Resources	1,251
Financial Outlook Gap before FRP's	(2,509)
Financial Recovery Plans	637
Financial Outlook Gap after FRP's	(1,872)
<i>Percentage of Recurring Budget</i>	<i>(1.7%)</i>
Additional Covid Costs	(7,618)
Total Financial Outlook Gap	(9,490)
Balance of Uplift	626
Final estimated outturn - 22/23	(8,864)

Update - 21/10/21

APPENDIX 3 - 2021/22 DRAFT FINANCIAL PLAN SUMMARY BY INTEGRATED JOINT BOARDS

	East Lothian IJB
	£k
Full Year Recurring Expenditure Budget	109,289
Baseline Pressures	(1,517)
Projected Expenditure Uplifts & Commitments	(1,270)
Growth and Other Commitments	(1,292)
Policy Decisions	
Strategic Investments	
Essential Service Development	(19)
Unscheduled Care	(15)
Projected Expenditure Uplifts & Commitments	(2,596)
<i>Percentage of Recurring Budget</i>	<i>(2.4%)</i>
Projected Costs	(4,112)
Recurring Resources	
Base Uplift	1,066
OHB Income	
Non Recurring Resources	
VPAS	60
Reserves	
Flexibility	
Additional Resources	1,126
Financial Outlook Gap before FRP's	(2,987)
Financial Recovery Plans	120
Financial Outlook Gap after FRP's	(2,867)
<i>Percentage of Recurring Budget</i>	<i>(2.6%)</i>
Additional Covid Costs	
Total Financial Outlook Gap	(2,867)



Craig Marriott
Deputy Director of Finance
Lothian NHS Board
Waverley Gate
2-4 Waterloo Place
Edinburgh
EH1 3EG

By Email

15th March 2022

Dear Craig,

NHS Lothian – Indicative 22/23 Budget Offer to East Lothian IJB

Thank you for your letter of 25th February 2022 laying out the indicative 22/23 budget offer for the IJB.

I agree that NHS Lothian's indicative offer meets the criteria set down by the Scottish Government in its 22/23 budget settlement. That is a 2% uplift on the recurrent baseline (and I appreciate the issues around the Board's recurrent baseline and the recurrent budget) along with cover for the costs of the employers National Insurance increase which will come into effect in April 2022.

I note your other comments and the IJB remains committed to delivering its strategic plan within the financial resources available and, as part of its transformational work, will seek to reduce financial pressures on its partners as appropriate.

The IJB will meet on 24th March to set its budget for 22/23 and I will let you know thereafter the outcome from that meeting.

Yours sincerely,

David King
Interim Chief Finance Officer
East Lothian IJB

cc. Alison MacDonald, Chief Officer, East Lothian IJB



Appendix 3

10 March 2022

David King– Interim Chief Finance Officer East Lothian

Dear David,

Updated financial resource proposal from East Lothian Council to East Lothian Integration Joint Board – 2021/22

On 9 November I wrote to you to confirm additional 2021/22 funding of £2.338 million for winter planning, following the announcement made by Scottish Government.

An adjustment is required to remove the £383,000 included in the letter of 9 November 2021 for Multi-Disciplinary Teams. This follows the announcement by Scottish Government that the funding will be paid directly to Health Boards and not Councils.

Please also note that the £767,000 for interim care referenced in the letter of 9 November is non-recurring.

East Lothian Council has now been notified of an additional £740,000 to cover the costs of the Social Care Workforce Uplift from £9.50 to £10.02 per hour for the period from December 2021 to March 2022.

Overall this means a net increase in the IJB budget allocation of £357,000 since the 9 November 2021 letter.

In line with the offer letter, this additional funding must be passed to Integration Bodies and as such, this updated letter reflects an amended budget offer to East Lothian Integration Joint Board incorporating these additional resources as set out below.

Proposed IJB Budget 2021/22	£m
Adult Wellbeing 2021/22 approved Budget	55.695
Less Non-delegated Functions	(0.540)
Add	
Additional Living Wage Uplift	0.582
Non HRA – Private Sector Housing Grant	0.256
HRA – Disabled Adaptions (Capital)	1.000
HRA – Garden Aid	0.238
Total IJB budget allocation 2021/22	57.231
Additional Funding (Winter Support)	2.338
Revised total IJB budget allocation 2021/22 (Letter 9 November 2021)	59.569
Additional Funding (2021/22 Social Care Workforce Uplift)	0.357
Revised total IJB Funding	59.926

I hope that this provides you with a helpful and timely update.

Yours sincerely



Sarah Fortune
 Executive Director for Council Resources (CFO)
 East Lothian Council

Cc: Monica Patterson – Chief Executive, ELC
 Alison Macdonald – Chief Officer East Lothian
 Iain Gorman – Head of Operations East Lothian
 Peter Murray – Chair of East Lothian Integrated Joint Board
 Shamin Akhtar – Vice Chair of East Lothian Integrated Joint Board
 David Henderson – Service Manager (Service Accounting)
 Colin Kennedy – Finance Business Partner (ELC)
 Ellie Dunnet – Head of Finance, ELC



18 March 2022

David King– Interim Chief Finance Officer East Lothian

Dear David,

Financial resource proposal from East Lothian Council to East Lothian Integration Joint Board – 2022/23

In accordance with the provisions set out in the Integration Scheme agreed between East Lothian Council and NHS Lothian, this letter sets out the formal proposal from East Lothian Council to the Integrated Joint Board (IJB) advising of the level of financial resources that will be delegated by the Council in financial year 2022/23 to the IJB.

You will note that East Lothian's share of the additional national funding of £553.9 million announced by Scottish Ministers in December 2021 and further national funding of £22m for Additional Social Work Capacity announced in February 2022 has been passed on in full to the IJB budget for 2022/23.

Details setting out the proposed allocation for 2022/23 are set out in the table below.

Proposed IJB Budget 2022/23	£m
Adult Wellbeing 2022/23 approved Budget	66.834
Less Non Delegated Functions	(0.540)
Add	
Non HRA – Private Sector Housing Grant	0.256
HRA – Disabled Adaptions (Capital)	1.000
HRA – Garden Aid	0.238
Total IJB budget allocation 2022/23	67.788
Less Non Recurring Funding	(0.386)
2022/23 Recurring Budget	67.402

I look forward to receiving early confirmation from you around the level of budgets which will in turn, be devolved to the Council, including the related directions that will apply during 2022/23.

Yours sincerely

A handwritten signature in cursive script that reads "Sarah Fortune".

Sarah Fortune
Executive Director for Council Resources (CFO)
East Lothian Council

Cc: Monica Patterson – Chief Executive, ELC
Alison Macdonald – Chief Officer East Lothian
Iain Gorman – Head of Operations East Lothian
Peter Murray – Chair of East Lothian Integrated Joint Board
Shamin Akhtar – Vice Chair of East Lothian Integrated Joint Board
David Henderson – Service Manager (Service Accounting)
Colin Kennedy – Finance Business Partner (ELC)
Ellie Dunnet – Head of Finance (ELC)



Sarah Fortune
Executive Director for Council Resources (CFO)
East Lothian Council
John Muir House
Haddington

By Email

21st March 2022

Dear Sarah,

East Lothian Council – 22/23 Budget Offer to East Lothian IJB

Thank you for your letter of 10th March which show the IJB's additional funding from the Scottish Government's Winter Funding proposals (announced in November 2021) and the change to the IJB's base recurrent budget. Thank you also for your letter of 18th March which then shows the proposed budget for the IJB for 2022/23.

I agree that the Council's offer meets the criteria set down by the Scottish Government in its 22/23 budget settlement. That is, the recurrent base budget plus the appropriate shares of the additional funding from the 22/23 Scottish Government settlement (the £554m and the £22m nationally)

The IJB will meet on 27th March to set its budget for 22/23 and I will let you know thereafter the outcome from that meeting.

Yours sincerely,

David King
Interim Chief Finance Officer
East Lothian IJB

cc. Alison MacDonald, Chief Officer, East Lothian IJB



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Appendix 4

HSCP Chief Finance Officers
NHS Board Directors of Finance
Cc:
HSCP Chief Officers
Local Government Directors of Finance
NHS Chief Executives

via email

25th February 2022

Colleagues

Further Covid funding 2021-22

Following the recent submission of your Quarter 3 financial returns, I am writing to confirm further funding of £981 million for NHS Boards and Integration Authorities to meet Covid-19 costs and to support the continuing impact of the pandemic. This funding is being provided on a non-repayable basis and includes provision for under-delivery of savings. While I anticipate that funding will be allocated in line with **Annexes A and B**, it will be a matter for NHS Boards and Integration Authorities to agree any revisions where appropriate to take account of local circumstances.

Within the overall funding outlined above, £619 million is being provided for Integration Authorities, which includes funding for a range of Covid-19 measures. The significant disruption to services has created a backlog of demand as well as increasing unmet need and frailty of service users. Investment is needed across day care services, care at home and to support unscheduled care, to keep people within the community, where possible and safe to do so, to avoid unplanned admissions and impacts on delayed discharges. Alongside this is the impact on mental health and services have been stepped up through, for example, Mental Health Assessment Units. This funding will also cover sustainability payments to social care providers and additional staff costs across Health & Social Care.

Where funding remains at year end 2021-22, this must be carried in an earmarked reserve for Covid-19 purposes in line with usual accounting arrangements for Integration Authorities, and I expect that this funding to be used before further allocations are made through the Local Mobilisation Planning process. This can be used to support continuation of costs which were funded in 2021-22 as a direct result of Covid-19. Use of these allocations to meet Covid-19 expenditure should be agreed by the IJB Chief Finance Officer and the NHS Board Director of Finance. The funding should be targeted at meeting all additional costs of responding to the Covid pandemic in the Integration Authority as well as the NHS Board.

/cont'd



Any proposed utilisation of the earmarked reserves to meet new expenditure that had not been funded in 2021-22 will require agreement from the Scottish Government, and it will remain important that reserves are not used to fund recurring expenditure, given the non-recurring nature of Covid funding.

Thank you for your support and engagement during 2021-22 and I look forward to continued close work with you as we take forward plans for 2022-23 and beyond.

Yours sincerely



Richard McCallum
Director of Health Finance and Governance

Annex A Funding by Board Area

Further Covid-19 Funding (£000s)	Health Board	HSCP	Total	
NHS Ayrshire & Arran	14,420	42,765	57,185	
NHS Borders	7,471	17,575	25,046	
NHS Dumfries & Galloway	13,997	16,146	30,143	
NHS Fife	20,947	43,961	64,908	
NHS Forth Valley	7,531	32,355	39,886	
NHS Grampian	7,533	55,697	63,230	
NHS Greater Glasgow & Clyde	88,484	132,917	221,401	
NHS Highland	10,947	37,604	48,551	
NHS Lanarkshire	15,121	68,810	83,931	
NHS Lothian	31,641	114,566	146,207	
NHS Orkney	2,575	3,746	6,321	
NHS Shetland	999	3,620	4,619	
NHS Tayside	2,441	45,355	47,796	
NHS Western Isles	1,608	3,887	5,495	
NHS National Services Scotland	118,110	-	118,110	
Scottish Ambulance Service	11,326	-	11,326	
NHS Education for Scotland	-	1,909	-	1,909
NHS 24	-	-	-	
NHS National Waiting Times Centre	5,436	-	5,436	
The State Hospital	-	-	-	
Public Health Scotland	3,071	-	3,071	
Healthcare Improvement Scotland	-	176	-	176
Total	361,573	619,004	980,577	

Please note these figures represent the total funding across several allocations (PPE, Test & Protect, Vaccinations and General Covid Funding). A detailed analysis will be provided to each NHS Territorial Board setting out the split across Board and Integration Authorities.

Annex B Total Funding by Integration Authority

Integration Authority	Further Covid-19 Funding £000s
East Ayrshire	14,143
North Ayrshire	15,891
South Ayrshire	12,731
Scottish Borders	17,575
Dumfries and Galloway	16,146
Fife	43,961
Clackmannanshire & Stirling	16,819
Falkirk	15,536
Aberdeen City	24,317
Aberdeenshire	19,675
Moray	11,705
East Dunbartonshire	9,930
East Renfrewshire	14,781
Glasgow City	73,130
Inverclyde	10,370
Renfrewshire	16,964
West Dunbartonshire	7,741
Argyll & Bute	11,881
North Highland	25,724
North Lanarkshire	32,102
South Lanarkshire	36,708
East Lothian	13,537
Edinburgh City	70,314
Midlothian	9,506
West Lothian	21,209
Orkney	3,746
Shetland	3,620
Angus	11,843
Dundee	16,784
Perth & Kinross	16,728
Western Isles	3,887
Total	619,004

Please note these figures represent the total funding across several allocations (PPE, Test & Protect, Vaccinations and General Covid Funding). A detailed analysis will be provided to each NHS Territorial Board setting out the split across Board and Integration Authorities.