

APPENDIX 4 IJB RESERVES

In March 2017 (IJB Report G/17/51) the IJB described and agreed its 'Reserves Policy'. This set out that the IJB may hold both 'ear-marked' reserves and general reserves. Ear-marked reserves will generally be for specific projects or ear-marked due to specific constraints or factors regarding funding, while general reserves are intended to assist the IJB manage its overall resources over the longer term. The IJB agreed it would set itself a target of having a general reserves equivalent to 2% of approved budgets (c£3.8m).

As at March 2018, the IJB's Annual Accounts showed that Perth & Kinross IJB had no earmarked or general reserves.

Earmarked reserves will most likely be for specific projects and may be triggered by specific factors regarding funding. At the end of 2018/19 it is possible the IJB may have ring-fenced reserves regarding Scottish Government funding to support the new GMS Contract (Primary Care Improvement Fund), Mental Health Funding (Action 15 funding), and Alcohol and Drug Partnership (ADP) Funding. These reserves need to be retained separately from general reserves.

The table below sets out the indicative position for the year-end based on the level of information on forecast spend regarding the IJB's reserves and also shows factors that may need to be added in during 2018/19.

Projected Movement in Reserves 2018/19	General Fund Balance (Usable Reserve)	General Fund Balance (Ear-Marked)	Total General Fund Balance (£000)
Opening Balance 31 March 2018	0	0	0
Potential Ear-marked Reserves			
Scottish Government - GMS Contract - Primary Care Improvement Fund 2018/19	0	581	581
Scottish Government - Mental Health - Action 15 Funding 2018/19	0	103	103
Scottish Government - GMS Contract - Primary Care Transformation Funding 2017/18	0	342	342
Scottish Government- ADP Funding 2018/19 and carry forward from previous years	0	556	556
Partnership Funding	0	485	485
Closing Balance at 31 March 2019	0	2,067	2,067

Note - The Out of Hours funding for Tayside is being carried forward by Angus as the Host IJB. This is being carried forward on behalf of all 3 IJBs in a ring fenced reserve.