

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 2020, the IJB's Annual Accounts showed that Perth & Kinross IJB had £1.159m of earmarked reserves.

Earmarked reserves will most likely be for specific projects and may be triggered by specific factors regarding funding. At the end of 2019/20 the IJB ring-fenced reserves includes Scottish Government (SG) funding to support the new GMS Contract (Primary Care Improvement Fund), Mental Health Funding (Action 15 funding), Alcohol and Drug Partnership (ADP) Funding and specific Covid-19 Funding (Covid-19 Fund). These reserves are retained separately from general reserves.

A reserve is required for Covid-19 funding. This funding has been allocated to PKIJB from the Scottish Government for Covid-19 related expenditure. The allocation provided in 2020/21 is projected to be in excess of costs incurred and this will be carried forward into 2021/22 specifically for future Covid-19 related expenditure.

The table below sets out the anticipated year-end position as at 28 February 2021.

Perth & Kinross IJB Earmarked Reserves				
	Opening Balance 1 April 2020	Transfer of Reserve (Previously Held at SG)	Other Increase or (reduction) in reserve	Closing balance 31 March 2021
	£'000	£'000	£'000	£'000
Primary Care Improvement Fund	66	1,177	98	1,341
Mental Health - Action 15 Fund	19	57	4	80
Primary Care Transformation Fund	355	0	(26)	329
Perth & Kinross ADP Fund	206	346	(8)	544
Partnership Transformation Fund	431	0	(39)	392
GP Premises Improvement Fund	82	0	(76)	6
COVID-19 Fund	0	0	3,963	3,963
Total	1,159	1,580	3,916	6,655

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.