



# BUDGET PROTOCOL

## Aberdeen City Health & Social Care Partnership

**Review Date:** Quarter 1 - 2025

### Background

The Aberdeen City Integration Joint Board (IJB) is the governing body of the Aberdeen City Health & Social Care Partnership (ACHSCP) and agrees an annual budget each financial year.

### Purpose

The purpose of this protocol is to identify the key stages in developing and delivering ACHSCP's Medium Term Financial Framework (MTFF) and Annual Budget. It highlights the importance of meaningful engagement – both publicly and internally – to enable a shared understanding of our options and the impacts they may have, particularly for those with protected characteristics. Listening to the views of people who use services, and involving them throughout the process of planning care delivery, is not only a statutory duty, but is a key improvement recommendation from the Independent Review of Adult Social Care in Scotland. Therefore, it is hoped this document will help both our staff and members of the public to have a shared understanding of the process and how they can contribute, as well as ensuring delivery of a balanced budget.

### Dependencies

The ACHSCP budget setting process is connected to the processes of our partner organisations – NHS Grampian (NHSG) and Aberdeen City Council (ACC). NHSG and ACC each agree the proportion of their respective budgets that will be allocated to the IJB and all partners work with the same populations to meet similar needs. Each year, there will be a review of the support services being provided by our partners to ensure that these are sufficient. Both our partner organisations and the IJB shall agree on the arrangements for future provision. Throughout the process, the IJB's Chief Finance Officer (CFO) will remain in dialogue with the NHSG and ACC CFOs, and other partners as appropriate, to ensure that our processes are aligned so far as possible.



# Aberdeen City Health & Social Care Partnership

*A caring partnership*

Decisions made in respect of the budget protocol should align with the principles, values and strategic aims outlined in the strategic plan:



ACHSCP has a clear commitment to prevention and early intervention throughout the strategic plan, which is also demonstrated in the following split of budget across 3 Tier Categories:

- **Tier 1 - Prevention** Taking action to prevent the occurrence of harm through universal measures
- **Tier 2 - Early Intervention:** Intervention that ward off the initial onset of harm and create empowered resilient communities and staff (human demand) intervening before further harm takes place in a way that avoids the later costs on both human and financial terms of handling the consequences of that harm (resource demand)
- **Tier 3 – Response:** Significance harm has occurred or is assessed as being imminent, significant resource is required to provide specialist and / or intensive support to reduce harm and demand.

This commitment to prevention and early intervention should be considered throughout the budget protocol and particularly during the development of Integrated Impact Assessments (IIAs)

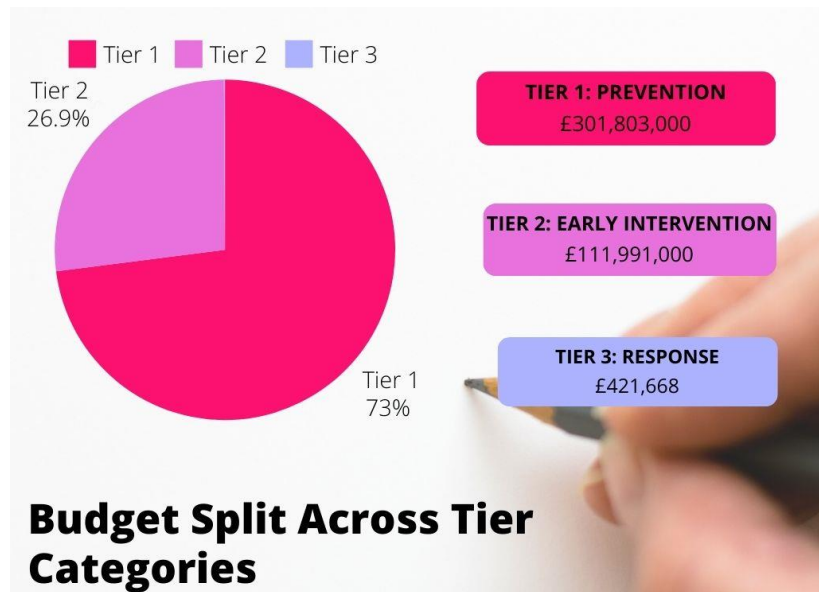
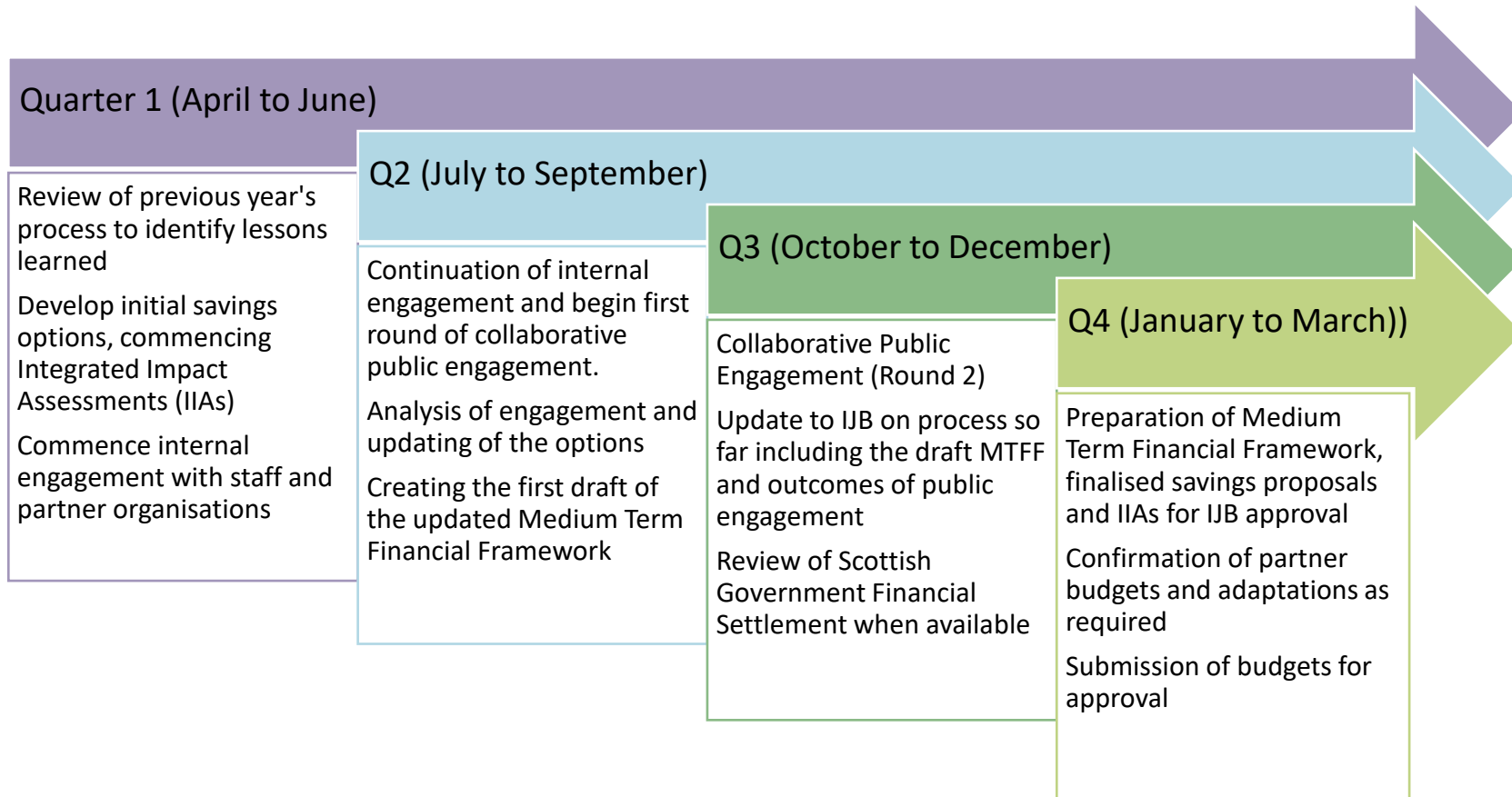


Figure 1: from ACHSCP Annual Accounts 2023-24



## Summary of our budget setting process

Below you can find a summary of how we intend to approach our annual budget setting process, which is explained in more detail on the following pages:





## Key Stages in more detail:

### **Quarter 1 – Preparing our options and Integrated Impact Assessments**

Each year, our MTFF needs to be updated to reflect the current planning assumptions and forecasting over a five year period. Projections are based on historic trends and planning assumptions on advice from our key partners. Alongside this process, our services will develop options for achieving the required savings and begin to develop Integrated Impact Assessments (IIAs) focusing on both the potential impacts for our service users and our staff.

ACHSCP needs to ensure that our partners in ACC, NHSG and the Aberdeenshire and Moray IJBs are informed on the budget options being proposed, especially where they may have an impact on their own residents, services and/or budgets. Therefore, ACHSCP will ensure robust communication and engagement with these stakeholders throughout this process to ensure a shared understanding.

The IJB board members play an integral role in the oversight of the budget setting process. The IJB have a series of seminars each year to address important topics. These will be used to ensure that board members have an opportunity to explore in-year performance in detail as well as allow the opportunity to engage in the development of options for the next financial year.

### **Quarter 2 – Engaging with the public to develop our options and drafting MTFF**

Aligning with our partners so far as possible, we will undertake public engagement to help us to understand where the public see their main priorities in terms of where budget allocations should be made. This will help us to co-produce acceptable solutions and ensure robust IIAs. A review of our ongoing consultations and engagements over the course of the year will also be undertaken to ensure we learn from previous exercises. Following the public engagement, the results and findings will be integrated into the developing MTFF, options and integrated impact assessments. This will be reported back to the IJB in autumn. During our budget process, and in updating the MTFF, we will continue to develop options to allow the balanced budget to be set. This will need to be collaborative by nature and will require meaningful two-way communication between our services/teams and their respective Senior Leadership Team members.

### **Quarter 3 – Continued public engagement and presenting IJB with draft MTFF**

ACHSCP will undertake a second phase of public engagement, using the updated budget options and IIAs as the basis for this engagement. ACHSCP will ensure that there is a focus on ensuring representation from key stakeholder groups for each option, particularly those users of specific services and those with protected characteristics or the 'seldom heard' voices which may be affected by the options. Following the public engagement, the results and findings will be integrated into the developing MTFF, and the options and IIAs will be updated accordingly.

### **Quarter 4 – Finalising and approving our MTFF**

Discussions throughout Q4 with finance colleagues give an early indication of the level of funding to be received by the IJB which allows for the draft MTFF to be prepared. The final funding figure will only be confirmed when NHSG and ACC have their budgets, and associated delegated funding, confirmed toward the end of Q4. The final budget will be considered by the IJB at the end of Q4



## Integrated Impact Assessments

Options developed will also be required to have an accompanying integrated impact assessment. These should be begun at the start of the process and **iteratively** developed throughout the budget process outlined above.

@ [Integrated Impact Assessment Guidance \(last accessed 01.07.24\)](#)

@ [Integrated Impact Assessment Template \(last accessed 01.07.24\)](#)

@ [Integrated Impact Assessment Examples \(last accessed 01.07.24\)](#)

## Assurance

In order to provide the IJB with additional assurance on the budget process, the IJB and/or the Risk, Audit and Performance Committee shall receive updates alongside the quarterly monitoring reports, including the outcomes of the public engagement and developing IIAs. ACHSCP's Senior Leadership Team will regularly review the reports throughout the year.