

# **£7m budget overspend in West Lothian health care partnership**

## **Spiralling costs in adult social care have driven a £7.3m overspend in West Lothian health and social care partnership.**

A meeting of the Integration Joint Board heard that costs have beaten the allocated budget across services.

Adult social care alone contributed more than £5m to the overspend. The ongoing £12m budget shortfall means that more savings and service cuts are likely in the coming financial year, the IJB heard this week.

Chief Financial Officer Hamish Hamilton told councillors, voting and non-voting members of the Board: "The budget position has remained extremely challenging due to the increase in demand for health and social care services coupled with high inflation and increasing complexity of care required for individuals in the community."

Sickness absence costs and the demand for agency carers has also pushed the cost of providing adult social care services across the county.

The Board agreed a recovery plan on 17 September 2024 which was to share the adult social care overspend on an equal basis with West Lothian Council. This proposal was agreed by West Lothian Council at the Council Executive meeting on 5 November 2024.

The final amounts will not be confirmed until the financial year end but based on current projections the IJB share of the adult social care overspend is £2.669m.

The Board can only achieve break-even in 2024/25 because of West Lothian Council agreeing to make an additional payment to the IJB to the value of 50% of the year end overspend in social care and then drawing down significant amounts of funding from IJB reserves to meet the residual health and social care overspend.

The current budget position will deplete the Board's usable reserves and increase the requirement to make unprecedented cost reductions to remain financially sustainable.

Both council and IJB will not issue their budget officers reports to the Board until February and March.

A report to the IJB concluded: "Based on current projections it is assumed that the IJB will face a budget gap of £12m next year which is a 4% budget gap. As this budget gap follows several years of delivering significant savings it is highly likely that the savings measures required to balance the 2025/26 budget will affect service provision."

By Stuart Sommerville, Local Democracy Reporter