

Lanarkshire NHS Board

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**NHS Board Meeting
22 February 2006**

FINANCIAL SETTLEMENT WITH LOCAL AUTHORITIES

1. The report to the NHS Board on 25 January 2006 on the 2005/06 Year End Forecast, included a prudent estimate of £1.2m, non-recurrently, as a potential contribution to North and South Lanarkshire Councils, in relation to the closure of 227 Continuing Care Psychogeriatric beds, 30 of which had previously been the subject of joint financial agreement.
2. There has been ongoing dialogue between NHS Lanarkshire and North and South Lanarkshire Councils, in an attempt to draw a line under this issue, so that the Partner Agencies can move forward and jointly tackle the many challenges that we face.
3. These discussions have led to agreement with North and South Lanarkshire Councils, that the Councils will accept the sum of £1.2m (apportioned 55%: 45% respectively in accordance with existing agreements), on a non-recurring basis, as a final reconciliation of this issue. This acceptance is conditional on NHS Lanarkshire: acknowledging the impact bed closures have had on Local Authorities over a sustained period of time; confirming that any future changes or closures of long-stay Hospital beds will not take place without first securing the agreement of both Councils; and committing to all parties continuing to work to agree the scale and amount of reinvestment in Health and Social Care Services arising from the current modernisation agenda across a range of activities to include future bed closures in respect of Psychogeriatric Services.
4. The NHS Board is asked to note this satisfactory outcome to the discussions between NHS Lanarkshire and North and South Lanarkshire Councils, and to acknowledge the foregoing conditions on which the settlement is based.

NJA/OD 13 February 2006