

AGENDA ITEM

14

Title/Subject: Financial Report
Meeting: Integration Joint Board
Date: 5 October 2018
Submitted By: Chief Finance Officer
Action: For Decision

1. INTRODUCTION

1.1. The purpose of this report is to provide the IJB with an updated financial position for 2018/19.

1.2. The report separately reports the various elements of the IJB budget, namely:

- Partnership Base Budget
- Partnership Funding
- Leadership Funding
- Integration Funding
- Reserves

1.3. Revised Directions, reflecting changes to the IJB budget are presented for approval.

2. RECOMMENDATION

The IJB is invited to:

2.1. Note the contents of the report

2.2. Delegate authority to the Chief Officer, Chair of the IJB and the Chair of the Falkirk Alcohol and Drug Partnership (ADP) to approve the spending plan for additional funding for the ADP, prior to submission to the Scottish Government by 31 October 2018.

2.3. Note that discussions are underway with colleagues in Health to agree how the Partnership best engages with NHS Forth Valley to bring the budget back into balance.

3. BACKGROUND

3.1. The 2018/19 budget report presented to the IJB in June 2018 set out some of the proposed changes to the format of the regular IJB finance report. This included presentation of one appendix for the full IJB budget, production of a savings tracker and updated Directions for approval. This report incorporates these agreed changes.

- 3.2. The June 2018 report also highlighted that savings had been identified to bridge the funding gap anticipated for 2018/19. Whilst a number of these savings have a rating of red or amber, the report noted that the Partnership had a more secure financial platform.

4. 2018/19 PARTNERSHIP BUDGET

4.1. Resources Available – Partnership Base Budget

The Partnership Base Budget covers the payments made by each partner to the IJB. It excludes Partnership Funding which is set out separately in this report. Variations can occur due for a number of reasons, including additional funding from the Scottish Government or adjustments to correct in-scope/out of scope budget anomalies. The Scottish Government produces a list of the funding that has been provided to each NHS board on a monthly basis. We are working with colleagues in the NHS to use this as the basis for tracking future changes to the funding in the NHS arm of the budget. This section of the report sets out the main variations to the base budget.

- 4.2. The movement to date in the 2018/19 base budget is shown below:

	£m
1 June 2018 Base Budget	208.211
Falkirk Council – Spend to Save	0.325
Application of Reserves	0.700
Dental Bundle	0.139
Effective Prevention Bundle	0.290
Psychological Therapies	0.260
Delayed Discharge & Seasonal Pressures	0.155
Criminal Justice	0.169
Primary Care Support (Kersiebank)	0.314
Community Hub GP Fellowes	0.107
Other Miscellaneous Adjustments	0.209
Revised Base Budget	210.879

- 4.3. There were no variations in the funding received from Falkirk Council. However, the spend to save funding of £0.325m approved by Falkirk Council in 2017/18 but carried forward to 2018/19 has now been included in the budgeted income. The approved application of reserves had previously been offset against projected expenditure but this is now shown explicitly on the face of the financial summary statement.
- 4.4. The majority of the amendments to the NHS arm of the budget reflect non-recurring funding from the Scottish Government, including £0.139m for a dental bundle, £0.290m for an effective prevention bundle (focussed on smoking cessation, weight and sexual health), and £0.260m for psychological therapies.

- 4.5. NHS Forth Valley have increased funding on a non recurring basis by £0.314m to support Kersiebank Medical Practice.
- 4.6. The financial settlement from NHS Forth Valley included an allocation for the Agenda for Change Pay Awards and funding is therefore already included in the baseline figures. Funding from the Scottish Government fully covers the Agenda for Change Pay Awards in 2018/19 and provides additional support for medical and dental staff costs. Minor adjustments to the budget may be required once the pay awards are fully processed.
- 4.7. The IJB has been notified of the following funding allocations from Scottish Government. These are not yet reflected in the figures shown above:

	£m
GP Out of Hours	0.143
Primary Care Improvement Fund Tranche1	0.765
Action 15 of the Mental Health Strategy	0.221
Additional ADP Funding	0.488
Total	1.617

- 4.8. The proposals for funding received for GP out of hours is included in a report on this IJB agenda.
- 4.9. At the 1 June 2018 IJB meeting, a report on the Primary Care Improvement Plan was presented. It was agreed to delegate authority to the Chief Officer, Chief Finance Officer and IJB Chair to sign-off the draft plan on behalf of the IJB before submission to the Scottish Government. An update on this is included in a separate report on this IJB agenda. In addition, a funding template is due to be returned to the Scottish Government by 28 September 2018 to confirm that funds can be spent in year.
- 4.10. The proposals for funding received for Action 15 of the Mental Health Strategy is included in a report on this IJB agenda. In addition, a funding template is due to be returned to the Scottish Government by 28 September 2018 to confirm that funds can be spent in year.
- 4.11. **Alcohol and Drug Partnership (ADP)**
The Scottish Government have confirmed additional funding in 2018/19 for investment in services to reduce problem drug and alcohol use. A total of £20m of funding is available with £17m allocated to a Local Improvement Fund (LIF). The resources attached to the LIF are allocated to NHS Boards for onward distribution to, and decision making by, Integration Authorities and Alcohol and Drug Partnerships (ADP). ADPs and Integration Authorities have been tasked with agreeing local arrangements for improvements.

- 4.12. The Scottish Government anticipate that year one funding will be used to invest to deliver the changes required and to prepare the ground for longer term system change. Beyond year one, it is expected that system change will be implemented.
- 4.13. Falkirk has been allocated an additional £487,715 of funding for 2018/19. A plan must be submitted to the Scottish Government by 31 October 2018. It is proposed that delegated authority is given to the Chief Officer, Chair of the IJB and Chair of the Falkirk ADP to approve the plan prior to submission to the Scottish Government.
- 4.14. Once the plan is finalised, a clear picture of the 2018/19 ADP budget should emerge. This will be brought back to the IJB for consideration.
- 4.15. It is appropriate that the governance and decision making of the ADP is reviewed at this point. Given the decisions that have to be made around the continuation of services, the need to focus on localities and the accountability to the IJB, it is important that the ADP has a clear understanding of the decision making structure and roles and responsibilities within that. As such it is proposed that the governance of the Falkirk ADP is reviewed in order to ensure clarity of accountability and decision making. This inevitability will have an impact on the Forth Valley partnership which has met for a number of years. Given the necessity to deliver services across Forth Valley for certain services, there must be a structure in place to support that. Further engagement with Stirling and Clackmannanshire ADP will take place to progress this.

5. FINANCIAL PROJECTION

- 5.1. The financial projection in this report takes into account the year to date position for the first four months of the financial year. The projection for the Partnership is an overspend of £2.192m, of which £1.064m relates to the Set Aside budget. The risk for the Set Aside budget remains with the NHS Board and this position assumes that the NHS Board will address pressures in the element of the budget. The forecast position is reflected in Appendix 1 and summarised in the table below:

	Overspend £m
Budgets delegated to Falkirk Council (non HRA)	-
Budgets delegated to NHS Forth Valley (non Set Aside)	1.128
Overspend on Base Budget	1.128
Budgets Delegated to Falkirk Council (HRA)	-
Budgets Delegated to Falkirk Council (Capital)	0.088
Set Aside Budget	1.064
Total Outturn	2.280

5.2. A summary of the main pressures is provided below:

5.3. **Budgets delegated to NHS Forth Valley**

Operational and universal services show a projected overspend of £1.128m. This is based on a simple pro rata of the first four months outturn for these services, with adjustments for community hospitals and prescribing. These projections will be further refined during the financial year.

5.4. Within operational and universal services the main areas of pressure are:

- Community hospitals
- Joint partnership agreements – Complex Care
- Community pharmaceutical services

To some extent these are offset with underspends across a range of community based services.

5.5. *Community Hospitals*

The projected overspend on community hospitals is mainly due to pay pressures associated with the opening of contingency beds, the continuing impact of inflationary pay pressures from 2017/18 and a high nursebank spend across most ward areas. NHS Forth Valley have identified that further tightening of controls on workforce costs is required in a number of areas to deliver a balanced position. However, the use of contingency beds has added c£0.192m to the overspend.

5.6. *Joint Partnership Agreements (Complex Care)*

Complex Care packages are overspent by c£0.092m in the first four months of the financial year. Should this trend continue, the year end overspend would be around £0.276m. The complex care service has grown incrementally over a number of years in response to increasing demand and changing patterns of health and social care services. This has resulted in budget pressures which have been offset to some degree by underspends in other areas of the Community Services Directorate.

5.7. *Prescribing*

The current projection for prescribing is an overspend of £0.927m for the financial year. Colleagues in NHS Forth Valley are currently working on a briefing to explain the key pressures anticipated in 2018/19 although this has been hindered by IT issues with the prescribing information system. The projection is based on three months of data and takes into account known issues with short supply as well as delays in delivering savings.

5.8. **Budgets Delegated to Falkirk Council (non Housing Revenue Account and Capital)**

The adult social care budget (excluding non housing revenue account and capital) is projected to break even at this point in the financial year, subject to the delivery of savings. However, a number of pressure areas have been identified and are being tracked on a regular basis. These include:

- Care at home costs, particularly the volume of hours going to external providers
- Residential care placements which has increased in recent months
- Delivery of savings, particularly for high cost care package reviews.

5.9. **Adult Social Care – Housing Revenue Account and Capital**

The budget delegated to Falkirk Council in respect of Housing Revenue Account (HRA) related spend is projected to break even at this point in the financial year. However, the capital budget which is used to provide private sector housing grants is projected to overspend due to an increase in the number of referrals for adaptations. In 2017/18 the same budget underspent by £0.088m. This underspend was put into a ring-fenced reserve and is the maximum overspend that this area of the budget can incur without further savings or budget virements being identified. This area will be closely monitored going forward and Adult Social Care are sample reviewing referrals to try and understand the reason for the increase. However, it is recognised that this type of spend can keep people at home for longer. Dependent on the outcome of the review, the IJB may wish to consider how to increase the budget for this area.

6. **SAVINGS DELIVERY**

A summary of the savings position for the Falkirk IJB for 2018/19 is noted below:

	Original Budget £m	Current Projection £m	Shortfall
Savings requirement per budget			
Budgets delegated to NHS Forth Valley (excl Set Aside)	1.674	0.234	1.440
Budgets delegated to Falkirk Council	2.615	2.315	0.300
Total	4.289	2.549	1.740
Set Aside savings required	0.052	0.041	0.011
Total savings requirement	4.341	2.590	1.751

- 6.1. The Partnership started the financial year in a relatively strong position with savings identified to cover the financial gap, as well as a small cushion in the event that some savings were not delivered. Notwithstanding, it has previously been highlighted that a number of these savings are risk rated amber or red for deliverability. Delivery of planned and recurrent savings has previously been highlighted as an area of concern for the Partnership.
- 6.2. Appendix 3 provides an update on delivery of savings, including a projection for savings delivery. This is reflected in the table above. At this stage a very prudent approach to the projection has been taken – where no savings have been delivered to date, no savings projection has been included. However, it is likely that there will be some savings in these areas and the projection is expected to improve over the course of the year.

6.3. The projections in section 5 of this report incorporate the savings projections noted above.

6.4. *NHS Forth Valley*

Colleagues at NHS Forth Valley are focused on savings delivery and there is a clear commitment to urgently identifying mitigation for these pressures. Progress will be reported back to the IJB.

6.5. *Adult Social Care*

At present a shortfall of £0.300m has been projected. This is related to care home placements (£0.100m) and older adults day services (£0.200m). At this stage it is expected that this shortfall will be offset by other underspends. However, efforts will continue to deliver all of the approved savings.

7. RISK SHARING AGREEMENT

7.1. In 2017/18 a risk sharing agreement was made between each of the Partners and the IJB. This agreement effectively stated that each Partner would take responsibility for their overspend. However, that agreement was for one year only. This short term approach recognised that the Partnership is in a transitional phase with significant structural change anticipated in 2018/19 and 2019/20. It was considered that the cost sharing model adopted for 2017/18 may not therefore be appropriate once these structural changes have taken place.

7.2. Ernst & Young have recently produced their annual audit report for 2017/18. One of the recommendations in the report is that longer term budget arrangements, particularly in respect of risk sharing, are developed. Whilst this is clearly beneficial, the Partnership remains in a transitional position and it is difficult to see how a long term position can be agreed at this stage. Nonetheless this is something the Partnership must aim towards.

7.3. Colleagues at Falkirk Council and NHS Forth Valley have been approached to get their initial views for a risk sharing agreement for 2018/19 and beyond.

8. LEADERSHIP FUNDING

8.1. In March 2017 the IJB agreed to remit £1m of Partnership Funding to the Leadership Group to enable effective and timeous allocation of resources to respond to need, effect action, increase pace of change and improvement within key priority areas aligned with the Strategic Plan. Once funding proposals have been considered by the Leadership Group and approved by the Chief Officer, they will be presented to the Chair and Vice Chair for agreement. A further £1m was approved as part of the Partnership Funding investment plan for 2018 – 2021.

8.2. Projected spend against the available funds for 2018/19 is as follows:

	£m
Funds Available	1.617
Less: ADL Smartcare	(0.065)
Discharge to Assess	(0.093)
Graduate Placements	(0.008)
Temporary Posts to support the roll out of Eligibility Criteria	(0.023)
Temporary Posts to support the roll out of the Carers Legislation	(0.053)
Day Care for Younger Adults	(0.075)
Use of ISD/LIST Analysts	(0.070)
3 x Occupational Therapists (Reablement)	(0.062)
Independence Clinics (ADL Module etc)	(0.041)
Total Committed for 2018/19	(0.490)
Current Available Balance	1.127

8.3. The Leadership Team has been asked to identify further potential uses for the funding. Funding requests will continue to be considered using the agreed governance process noted above and will be reported back to the IJB as appropriate.

9. INTEGRATION FUNDING

9.1. Previous finance reports have highlighted that the IJB has £1.430m of Integration Funding in reserves. This funding was originally received from the Scottish Government and was fully allocated to Adult Social Care mainly to cover the costs of the living wage and demographic pressures.

9.2. During the budget process for 2018/19, the IJB agreed to apply £0.700m towards the funding gap for Adult Social Care. This has been reflected in the financial figures presented in this report. £0.730m remains in reserve for future use.

10. PARTNERSHIP FUNDING

10.1. Partnership Funding covers two areas – Integrated Care Fund and Delayed Discharge monies, both received from the Scottish Government. A breakdown of the funding available for 2018/19 is shown below:

	£'000
Balance Carried into Reserves	2,408
New Allocations from SG	2,744
Total Available	5,152
Less Committed	3,516
Current Available Balance	1,636

- 10.2. Details on funding recommendations for these balances are included in a separate report on Partnership Funding on this agenda.

11. RESERVES

- 11.1. As at 31st March 2018 the IJB had £6.490m of reserves. An analysis of these reserves and their projected balance at the end of the year is included at Appendix 4. Projections for some reserves are still being worked on at the time of writing this report and an update will come back to the next meeting of the IJB.
- 11.2. The reserves policy and strategy was updated and approved by the IJB in April 2018.

12. DIRECTIONS

- 12.1. Previous reports to the IJB have proposed that Directions are updated throughout the year and included in the regular financial position reports for approval. Updated Directions have been included as appendices 5 and 6 to this report. At this point the Direction simply reflect amendments as a result of changes to funding. A tracker of the changes has been prepared.
- 12.2. There is work ongoing at a national level in respect of Directions and draft guidance has now been issued for review and comment. At this stage the guidance suggests that much more detailed Directions should be adopted by all IJBs. These Directions would include:
- Scope and scale of the function
 - Finance involved
 - Scale and nature of change
 - Those impacted by the change
 - Patients
 - People who use services
 - Carers
 - Local communities
 - Staff
 - Others
 - Timescale for delivery
- 12.3. The guidance also suggests that Directions could be attached to each report where a significant change is proposed. This reflects that the IJB has an agenda of change and improvement. It can therefore reasonably be expected that a number

of decisions made by IJBs will impact on delivery partners that will require Directions to be issued.

- 12.4. As noted at paragraph 11.2, the guidance is in draft format at present. Once finalised guidance is received, an update will be provided to the IJB, along with proposals for revised Directions.

13. CONCLUSIONS

- 13.1. This report provides a projected outturn for the Falkirk Partnership for 2018/19. There remains a significant risk of the Partnership overspending by £2.192m and a number of financial pressures and risks remain.
- 13.2. The current projected overspend is mainly a result of ongoing pressures around prescribing, as well as issues around complex care packages and community hospitals. The focus for NHS Forth Valley is on trying to maximise efficiencies and delivering the existing savings plans. Projections are at a very early stage, particularly for prescribing and the IJB will be kept up to date on progress.
- 13.3. During 2017/18 a budget recovery group was set up by NHS Forth Valley which looked at spending pressures across both Falkirk and Clackmannanshire & Stirling Partnerships. Discussions are underway with colleagues in NHS Forth Valley to agree a collaborative approach to monitoring and mitigating the projected overspend for 2018/19. However, it would be prudent for discussions to take place at an early stage regarding a risk sharing agreement.
- 13.4. The Scottish Government has now confirmed the additional funding for the Alcohol and Drug Partnership. Work is planned for this area, including a review of governance arrangements. A plan for the additional funding must be submitted to the Scottish Government by 31 October 2018. The plan must be approved by the IJB and ADP. It is recommended that delegated authority is given to the Chief Officer, Chair of the IJB and Chair of the Falkirk ADP to approve the plan and ensure timely submission.

Resource Implications

The resource implications are considered in the body of the report.

Impact on IJB Outcomes and Priorities

The budget sets out the overall resources available to the Partnership to support delivery of the Strategic Plan.

Legal & Risk Implications

The main financial risks facing the Partnership are considered in the body of the report.

Consultation

The Chief Officer of the IJB, Chief Finance Officer of Falkirk Council and Director of Finance of NHS Forth Valley have been consulted on this report.

Equalities Assessment

The budget may include savings proposals which involve service change. These should all be subject to an Equality Assessment.

Approved for Submission by: Patricia Cassidy, Chief Officer

Author – Amanda Templeman, Chief Finance Officer

Date: 13 September 2018

List of Background Papers: The papers that may be referred to within the report or previous papers on the same or related subjects.

**BUDGET MONITORING STATEMENT 2018/19
FOR PERIOD TO 31/07/18**

SUMMARY STATEMENT

	<u>Budget</u>	<u>Projected</u>	<u>(Fav)/ Adv</u>
	£m	Outturn	Variance
		£m	£m
Adult Social Work Services	72.914	73.002	0.088
Falkirk Council Spend to Save	0.325	0.325	-
NHS Forth Valley - Set Aside	25.650	26.714	1.064
NHS Forth Valley - Operational & Universal	111.990	113.118	1.128
Sub - Total	210.879	213.159	2.280
Use of Earmarked Reserves	(0.700)	(0.700)	-
NET EXPENDITURE	210.179	212.459	2.280
<u>Funded By :</u>			
Falkirk Council Contribution	62.162	62.162	-
Falkirk Council Spend to Save Contribution	0.325	0.325	-
NHS Forth Valley Contribution	137.640	137.640	-
Integration Funding (via Health Boards)	10.052	10.052	-
Leadership Funding	-	-	-
NET INCOME	210.179	210.179	-
SURPLUS/(DEFICIT)	-	(2.280)	(2.280)
Transfer from HRA Reserves		-	
Transfer from Capital Reserves		0.088	
Transfer from Reserves		-	
Projected Outturn		(2.192)	

Above figures do not include £3.744m of Partnership Funding.

Appendix 2

BUDGET MONITORING STATEMENT 2018/19
FOR PERIOD TO 30/06/2018

	Falkirk Council			NHS Forth Valley			Total Partnership		
	<u>Budget</u>	<u>Projected</u>	<u>(Fav)/ Adv</u>	<u>Budget</u>	<u>Projected</u>	<u>(Fav)/ Adv</u>	<u>Budget</u>	<u>Projected</u>	<u>(Fav)/ Adv</u>
	<u>£m</u>	<u>£m</u>	<u>Variance</u>	<u>£m</u>	<u>£m</u>	<u>Variance</u>	<u>£m</u>	<u>£m</u>	<u>Variance</u>
Care at Home Services									
Care at Home	33.135	33.135	-	-	-	-	33.135	33.135	-
MECS/Telecare/Telehealth	0.584	0.584	-	-	-	-	0.584	0.584	-
Equipment & Adaptations	0.403	0.403	-	-	-	-	0.403	0.403	-
Housing Aids & Adaptations	1.200	1.200	-	-	-	-	1.200	1.200	-
Improvement Grants	0.327	0.415	0.088	-	-	-	0.327	0.415	0.088
Garden Aid	0.489	0.489	-	-	-	-	0.489	0.489	-
Community Based AHP Services	-	-	-	6.417	6.188	(0.229)	6.417	6.188	(0.229)
Care of Elderly Provided Outwith a Hospital	-	-	-	1.136	1.056	(0.080)	1.136	1.056	(0.080)
District Nursing	-	-	-	4.285	4.286	0.001	4.285	4.286	0.001
Palliative Care	-	-	-	0.082	0.099	0.017	0.082	0.099	0.017
	36.138	36.226	0.088	11.920	11.629	(0.291)	48.058	47.855	(0.203)
Residential/Building Based Services									
Community Hospitals	-	-	-	5.745	5.975	0.230	5.745	5.975	0.230
Residential Care	21.341	21.341	-	-	-	-	21.341	21.341	-
Housing with Care/Sheltered Accommodation	1.193	1.193	-	-	-	-	1.193	1.193	-
	22.534	22.534	-	5.745	5.975	0.230	28.279	28.509	0.230
Mental Health Services									
Mental Health Inpatient Services	-	-	-	6.518	7.111	0.593	6.518	7.111	0.593
Community Mental Health	1.179	1.179	-	5.423	5.145	(0.278)	6.602	6.324	(0.278)
Addiction Services	-	-	-	3.001	2.893	(0.108)	3.001	2.893	(0.108)
	1.179	1.179	-	14.942	15.149	0.207	16.121	16.328	0.207
Respite & Carers Support									
Respite Care	1.538	1.538	-	-	-	-	1.538	1.538	-
Carers	0.048	0.048	-	-	-	-	0.048	0.048	-
	1.586	1.586	-	-	-	-	1.586	1.586	-
Other Care Services									
Assessment & Care Planning	4.239	4.239	-	-	-	-	4.239	4.239	-
Day Care Services	4.542	4.542	-	-	-	-	4.542	4.542	-
Community Learning Disability	0.951	0.951	-	0.842	0.689	(0.153)	1.793	1.640	(0.153)
Adult Support & Protection	0.101	0.101	-	-	-	-	0.101	0.101	-
Sensory Team & Resource Centre	0.450	0.450	-	-	-	-	0.450	0.450	-
Voluntary Organisations	0.554	0.554	-	-	-	-	0.554	0.554	-
Public Health Promotion	-	-	-	1.321	1.221	(0.100)	1.321	1.221	(0.100)
Continence Services	-	-	-	0.197	0.156	(0.041)	0.197	0.156	(0.041)
Public Dental Service	-	-	-	1.047	1.066	0.019	1.047	1.066	0.019
	10.837	10.837	-	3.407	3.132	(0.275)	14.244	13.969	(0.275)
Joint Partnership									
Advocacy	0.096	0.096	-	-	-	-	0.096	0.096	-
Joint Loan Equipment Store	0.344	0.344	-	-	-	-	0.344	0.344	-
Joint Partnership Agreements	-	-	-	1.821	2.099	0.278	1.821	2.099	0.278
Resource Transfer	-	-	-	11.253	11.253	-	11.253	11.253	-
	0.440	0.440	-	13.074	13.352	0.278	13.514	13.792	0.278
Universal Services									
Prescribing	-	-	-	35.440	36.874	1.434	35.440	36.874	1.434
Primary Care	-	-	-	33.980	34.118	0.138	33.980	34.118	0.138
	-	-	-	69.420	70.992	1.572	69.420	70.992	1.572
Set Aside (excluding Mental Health)	-	-	-	19.132	19.603	0.471	19.132	19.603	0.471
Management & Support Costs	0.200	0.200	-	-	-	-	0.200	0.200	-
Falkirk Council Spend to Save	0.325	0.325	-	-	-	-	0.325	0.325	-
TOTAL	73.239	73.327	0.088	137.640	139.832	2.192	210.879	213.159	2.280

SAVINGS TRACKER 2018/19
FOR PERIOD TO 31/07/18

REF	DESCRIPTOR	RISK RATING	PROPOSED SAVING £m	PROJECTED SAVING £m	SHORTFALL £m	COMMENTS
Efficiencies/Housekeeping						
1A	Dietetics	<div>G</div>	0.028	0.028	-	Some review work required but majority deliverable.
1B	Adult Speech & Language Team - review of service	<div>R</div>	0.011	-	0.011	Limited options for redeployment.
1C	Housekeeping within Community Services Directorate	TBC	0.121	0.121	-	This is a new saving.
Case for Change Produced/Required						
2A	Redesign of Administering Intravenous Antibiotics in the Community, Specialist Rehab Provision, Day Hospital Review & Frailty	<div>A</div>	0.413	-	0.413	Progress underway but no savings delivered to date.
2B	Redesign of Community Rehab Teams	<div>R</div>	0.110	-	0.110	Alternative options under consideration.
2C	AHP, MH, LD & OAP Care Group - skill mix changes	<div>R</div>	0.040	-	0.040	Limited options for redeployment.
Prescribing						
3A	Quetiapine prescriptions	<div>A</div>	0.075	-	0.075	Timescale for delivery of saving being reviewed.
3B	Housekeeping	<div>G</div>	0.063	0.063	-	May require invest to save; further update to be prepared.
3C	Technical Switches - Edoxaban	<div>R</div>	0.149	-	0.149	
3D	Technical Switches - Other	<div>A</div>	0.092	-	0.092	
3E	Review of Primary Care - over-ordering & waste	<div>A</div>	0.625	-	0.625	Protocols are being developed & added to the Pharmacy workplan.
3F	Changes in Melatonin Protocol	<div>G</div>	0.022	0.022	-	Savings are still expected but quantum to be reviewed & likely reduced.
3G	18/19 Part 7 Tariff Reductions/Off Patent Benefits	<div>R</div>	0.130	-	0.130	Some savings still expected.
Total for Operational & Universal Savings			1.879	0.234	1.645	
Set Aside						
4A	Specialist Mental Health - cap non core staffing	<div>R</div>	0.025	-	0.025	Not confirmed/difficult to achieve.
4B	Hope House Bed Income	<div>R</div>	0.111	-	0.111	Beds at full capacity.
4C	Housekeeping - Community Services Directorate	TBC	0.041	0.041	-	This is a new saving.
Total for Set Aside Savings			0.177	0.041	0.136	
TOTAL NHS SAVINGS			2.056	0.275	1.781	
Efficiencies/Housekeeping						
1.1	High Cost Care Packages	<div>A</div>	0.800	0.800	-	
1.2	Reduction in Costs Relating to Sickness Absence	<div>A</div>	0.100	0.100	-	
1.3	Improved Rotas at Care Homes for Older People	<div>A</div>	0.050	0.050	-	
Changing Models of Service Delivery						
2.1	Reduction in spend on Purchased Care Home Placements	<div>A</div>	0.400	0.300	0.100	Pressure on budget with recent increase in placements.
2.2	Provision of Equipment	<div>A</div>	0.030	0.030	-	Wider review piece may take longer than anticipated.
2.3	Older Adults Day Services	<div>G</div>	0.200	-	0.200	
Increasing Income & Other Savings						
3.1	Application of Integration Funding	<div>G</div>	0.700	0.700	-	
3.2	Charging Income	<div>G</div>	0.300	0.300	-	
3.3	Supporting People Budget	<div>G</div>	0.035	0.035	-	
TOTAL ADULT SOCIAL CARE SAVINGS			2.615	2.315	0.300	
TOTAL PARTNERSHIP SAVINGS			4.671	2.590	2.081	
SAVINGS REQUIRED PER APRIL 2018 BUDGET REPORT			4.341			

FALKIRK HEALTH AND SOCIAL CARE PARTNERSHIP

PROJECTED RESERVES POSITION FOR 2018/19 AS AT 31/07/18

	OPENING BALANCE 01/04/2018 £m	TRANSFERS IN £m	PROJECTED TRANSFERS OUT/SPEND £m	PROJECTED CLOSING BALANCE 31/03/2019 £m
General Reserve	0.297	-	-	0.297
Housing Revenue Account	0.237	-	-	0.237
Capital Grant	0.088	-	(0.088)	-
 Sensory Strategy	0.052	-	0.001	0.053
Services for Survivors	0.090	-	-	0.090
Dementia Innovation Fund	0.100	-	-	0.100
	-			-
Integration Funding	1.430	-	(0.700)	0.730
Partnership Funding	2.408	2.744	(3.516)	1.636
Leadership Funding	0.617	1.000	(0.490)	1.127
 * PC & MH Transformation Funds	0.607	-	-	0.607
* Transforming Urgent Care	0.392	-	-	0.392
* Pharmacy First	0.002	-	-	0.002
* Mental Health Innovation Fund	0.112	-	-	0.112
* GP Cluster Model	0.058	-	-	0.058
	6.490	3.744	- 4.793	5.441

- * Confirmation on the projection for these reserves will be submitted to the December meeting of the IJB.

PUBLIC BODIES (JOINT WORKING) (SCOTLAND) ACT 2014

DIRECTION TO FALKIRK COUNCIL

Direction for Financial Year 2018/19

1. The Integration Joint Board has the authority to make decisions in respect of services commissioned from Falkirk Council ("the Council"). The Integration Joint Board directs the Council in terms of section 26 of the Public Bodies (Joint Working) (Scotland) Act 2014 to carry out each of the functions listed in Annex 2 of the Integration Scheme ("the functions"), subject to the following conditions:-
 - (a) the functions will be carried out consistent with the existing policies of the Council and any relevant decisions of the Council in relation to its revenue budget;
 - (b) the functions will be carried out in a manner consistent with the strategic plan; and
 - (c) no material change will be made to policies (for example eligibility criteria) or service provision (for example Discharge to Assess services) within the functions (with the exception of the function under section 24 of the Local Government and Planning (Scotland) Act 1982) unless agreed by the IJB.
 - (d) any material change to policies or service provision as outlined in (c) must be initiated and discussed through the Leadership Group (agreed by the IJB on 7 October 2016)
2. The IJB will make a payment to the Council of £72.914m to carry out the functions. This includes the agreed use of £0.700m of Integration Funding from IJB reserves.
3. This direction will remain in force until revoked in full or part by the IJB.

Falkirk Integration Joint Board
5 October 2018

PUBLIC BODIES (JOINT WORKING) (SCOTLAND) ACT 2014

DIRECTION TO FORTH VALLEY HEALTH BOARD

Direction for Financial Year 2018/19

1. The Integration Joint Board has the authority to make decisions in respect of services commissioned from Forth Valley Health Board ("the Health Board"). The Integration Joint Board directs the Health Board in terms of section 26 of the Public Bodies (Joint Working) (Scotland) Act 2014 to carry out each of the functions listed in Annex 2 of the Integration Scheme ("the functions"), subject to the following conditions:-
 - (a) the functions will be carried out consistent with the existing policies of the Health Board and any relevant decisions of the Health Board in relation to its revenue budget;
 - (b) the functions will be carried out in a manner consistent with the strategic plan; and
 - (c) no material change will be made to policies (for example reablement strategies) or service provision (for example patient pathways) within the functions unless agreed by the IJB.
 - (d) any material change to policies or service provision as outlined in (c) must be initiated and discussed through the Leadership Group (agreed by the IJB on 7 October 2016)
2. The IJB will make a payment to the Health Board of £111.990m to carry out the functions. The Health Board will make use of the sum of £25.650m set aside in relation to Large Hospital Services.
3. The Health Board will pass through £10.052m of Integration Funding to Falkirk Council in line with Scottish Government allocations. £3.744m of funding for the Integrated Care Fund and Delayed Discharge will be allocated in line with the agreed Partnership Funding governance process.
4. This direction will remain in force until revoked in full or part by the IJB.

Falkirk Integration Joint Board
5 October 2018