

The background of the slide features the coat of arms of the Government of Nunavut. It is a shield divided into four quadrants. The top-left quadrant shows a stylized building. The top-right quadrant shows a caribou head with antlers. The bottom-left quadrant shows a sailing ship on wavy lines representing water. The bottom-right quadrant shows a bird with spread wings. Above the shield is a crown with four maple leaves. Below the shield is a banner with the text "ANĖ FOR A'".

Agenda Item 10

Revenue Budget/Medium Term Financial Plan [MTFP]

Falkirk Council

Title: Revenue Budget/Medium Term Financial Plan [MTFP]
Meeting: Falkirk Council
Date: 5 December 2018
Submitted By: Director of Corporate & Housing Services

1. Purpose of Report

- 1.1 This report presents a further step in the Revenue Budget process presenting the Budget Business cases for both Falkirk Community Trust and the Integration Joint Board. This affords the Council the opportunity to give feedback to both organisations and should expedite final Budget positions for all the parties.
- 1.2 The report also offers Council the opportunity to take a provisional decision on the level of Council Tax for 2019/20. This would both help confirm how the Budget gap can be managed and facilitate the logistics of Council Tax billing.

2. Recommendations

2.1 Council is invited to agree:-

- (1) any feedback it wishes to convey to the respective Boards with regard to the Budget submissions from:-
 - a. Falkirk Community Trust [Section 4.1]
 - b. Integration Joint Board [Section 4.2]
- (2) capital investment of £1.1m in capital improvements in the Mariner Centre and Stenhousemuir Gym as detailed at 4.1.7
- (3) whether it wishes to approve an additional contribution to the Trust in 2019/20 to cover the Golf Club deficit and the Fireworks [para 4.1.10 – 4.1.14]
- (4) to provisionally set a Council Tax Band D rate for 2019/20 in terms of the scope to raise the tax by up to 3%, with the final decision taken at the February Budget meeting where all relevant information will be presented. [Section 4.3]

3. Background

- 3.1 The Executive has now considered four reports on the development of the MTFP. At the most recent meeting on 27 November 2018 an update on officers' savings proposals for Council Services for 2019/20 was presented to Members along with progress in developing five year business plans.
- 3.2 The Member Budget Working Group has been meeting regularly. At a meeting on the 13 November 2018 it received presentations from both Falkirk Community Trust and the Integration Joint Board on their respective business plans.

4. Considerations

4.1 Falkirk Community Trust – Business Plan

- 4.1.1 The Funding Agreement between the Council and Falkirk Community Trust (the Trust) requires that the Trust submit a draft business plan for the following year for approval by the Council. The Trust has duly complied and appended to this report are the following detailed documents:-
- Cover letter from Trust Chief Executive
 - Briefing Report from the Trust summarising their submission
 - Business Strategy (Appendix 1)
 - Business Growth Proposals (Appendix 2)
 - Fees and Charges Proposals 2019/20 (Appendix 3)
 - Capital Proposals 2019/20 (Appendix 4)
- 4.1.2 There is provision in the Funding Agreement between the Council and the Trust for the parties to have an initial dialogue in relation to the proposals in the draft Business Plans prior to final approval. The Council may request further information from the Trust and propose amendments in relation to the Trust's funding commitment and service specification. The Trust will consider these requests and proposals and may, as a result of this process, adjust the Business Plans. The purposes of this report are twofold. Firstly, to provide an overview of the draft Business Plan. Secondly, to allow Members to discuss the proposals in the draft Business Plans with a view to, if Members are so inclined, seeking additional information from the Trust and/or requesting the Trust to consider proposed amendments to the draft Business Plans prior to further consideration of the draft Business Plans at the Council Budget meeting in February.
- 4.1.3 The Trust have continued to build on their success with VisitScotland five star awards for both Callendar House and the Helix, achievement of record levels of income and increasing the level of volunteers to assist with the delivery of culture and sport services.

- 4.1.4 In line with the approved approach to the Medium Term Financial Plan, the Trust was allocated a 5 year savings target to reduce Council subsidy by c£5.5m (50%) with a specific target in year 1 of £1.25m. The Trust's savings proposals for 2019/20 are summarised below. After allowing for the prior year

saving that was covered by the use of reserves, the contribution to the Council's gap is £0.381m, which is £0.874m short of the total requested.

	<u>£'000</u>
Income Generation	376
Efficiencies	200
Growth from Investment	<u>150</u>
	<u>726</u>
Reinstatement of Reserves	<u>(345)</u>
	<u>381</u>

- 4.1.5 In the past the Trust would have proposed to address the shortfall of £0.874m by service reductions and closures. However, the Trust have asked that, building on the shared work to create and agree a shared vision for culture and sport, a working group of representatives from the Council, Trust Board and staff be set up to jointly consider and review the options required to meet the shortfall in the savings target having regard to the Council's Corporate Plan and the Trust Business Strategy. The shortfall, if not met wholly in 2019/20, will be carried forward and addressed in the subsequent year(s) of the five year business plan. The position in the interim will temporarily be covered by the Council's reserves.
- 4.1.6 The above approach is in line with the Council's decision on 19 September to work jointly with the Trust in order to develop a stronger and more effective partnership between the two organisations. A report on the progress of a joint vision document is also on the agenda for this meeting.
- 4.1.7 Within the business plan there is also an opportunity for the Council to work in partnership with the Trust to develop and extend the health and fitness provision at the Mariner and Stenhousemuir Gym (Appendix 2). This would require capital investment of £1.700m, £1.100m for capital improvements for which the Trust is seeking capital funding from the Council and £0.600m for specialised equipment that the Trust would fund. This investment would create new state of the art facilities that would be the first of its kind in Scotland. It is estimated that this investment would deliver an increase in budgeted income of c£0.300m by year 5 with an estimated £0.150m during 2019/20. The Trust's savings proposals noted at para 4.1.4 rely on this income being available.
- 4.1.8 Income generation is a vital part of the way forward for the trust and will help protect its capacity to deliver services.

- 4.1.9 The capital investment proposal of £1.1m can be accommodated within available resources for the proposed 2019/20 capital programme and can also be accelerated due to the slippage in the capital programme for 2018/19, allowing the new facilities to be open and operational by next summer as noted in the business plan. The all party Member Budget Working Group considered the draft General Services Capital Programme at its meeting on 4 December.

Grangemouth Golf Course

- 4.1.10 Council, at the 6 December 2017 meeting requested that, rather than withdraw from the Grangemouth Golf Course, the Trust continue the operation of the Course during 2018/19. The Trust has continued the operation of the facility and has improved the financial performance from a deficit of £94k to c£50k.
- 4.1.11 Grangemouth Golf Club expressed an interest in taking over the operation and management of the facility from 1 April 2019 and the Trust have been advising the club as they prepare a business plan to be considered by both the Trust and Council prior to any handover. There have been delays, however, and the Trust has indicated that a successful transfer cannot now take place by the end of March 2019. The Club have requested an extension to allow them time to prepare their business case
- 4.1.12 The Trust are willing to consider this extension, subject to the conditions detailed in the briefing note at annex 1, but can only do so if the Council provide the funding of £50k to cover the estimated deficit.

Fireworks

- 4.1.13 In 2018 the Trust delivered the annual fireworks event by utilising reserve funding in anticipation of community support to fund future events from donations. This support however has not materialised and in order to deliver the event going forward a budget of £30k is requested from the Council.
- 4.1.14 The options outlined above would result in a provisional service payment to the Trust of c£10.8m in 2019/20 as summarised below. The Council would cover the savings shortfall and additional expenditure, if agreed, by a contribution from reserves. This service payment also incorporates an adjustment for the Mariner Soft Play Project.

	<u>£'000</u>
Service Payment per Trust Briefing Note	10,050
Shortfall in savings target	874
Grangemouth Golf Course	50
Fireworks	30
Soft Play	(211)
	<u>10,793</u>

Capital Proposals

- 4.1.15 The Trust's submission also includes Capital Programme proposals totalling £0.522m (Appendix 4). The Trust highlights the importance of making these investments in order to comply with health and safety and keep sites operational. If the Council agreed to the additional capital investment noted at para. 4.1.7 this would bring the total capital proposals to c£1.6m.

Other Matters

- 4.1.16 The Trust has requested an amendment to the Funding Agreement to remove the clause relating to a specific borrowing limit and replace it with a statement that requires the Trust to commit to consult the Council in any funding proposal where the leases covering the operation of the Council's assets would be used as any form of security. The reasoning behind the request is understood and it is a matter that was referred to in the Chief Executive's options appraisal report to Council in September. There are considerations around optimum borrowing terms, professional financial appraisal of projects, accounting & balance sheet treatment, procurement & asset management that officers would wish to explore with the Trust in advance of reporting back to members.

4.2 Integration Joint Board [IJB]

- 4.2.1 The Integration Scheme for the Falkirk Health and Social Care Partnership sets out the methodology for determining funding to the Integration Joint Board. This requires an IJB business case to be presented to both the Council and the Health Board for consideration. The Falkirk Health and Social Care Partnership (the partnership) presented their Business Case for 2019/20 to the Integration Joint Board on 21 November 2018. The IJB approved the Business Case for consideration by Falkirk Council. Appended to this report are the following documents:-

- Cover letter from the Falkirk Health and Social Care Partnership Chief Officer
- Integration Joint Board (IJB) Business Case 2019/20

- 4.2.2 In developing the Business Case, the Chief Finance Officer for the partnership has liaised with Council finance staff. This has ensured that consistent financial planning assumptions in key areas such as pay awards have been adopted.

- 4.2.3 The partnership has been kept informed of the financial challenges that the Council is facing and the anticipated Budget gap for next five years. The partnership was advised that savings in the order of £12m may be needed over this five year period, with £3m required in 2019/20. The report notes the work ongoing to develop five year business plans. For 2019/20 the savings presented within Appendix 1 of their submission total £4m. After excluding £0.700m to cover the application of reserves by the IJB in 2018/19 and £0.250m to mainstream the Reablement Project Team that was initially created by a spend to save initiative to help deliver transformational change,

this would give total savings options of £3.3m towards the Council's budget gap. It is noted in their report that these savings options reflect the aspirations of the Partnership and can be achieved while continuing to deliver on the outcomes and priorities of the Strategic Plan, although the Business Case does flag up concerns around the scale and pace of savings.

4.2.4 The IJB's savings proposals are summarised below:-

	£'000
Efficiency Savings	1,450
Changing models of Service Delivery	2,500
Increasing Income	<u>300</u>
	4,250
Reablement Project Team	(250)
Application of Reserves 2018/19	<u>(700)</u>
	<u>3,300</u>

4.2.5 It is for the IJB to approve savings options on behalf of the partnership. Responsibility for approving budget savings and/or service redesign for adult social care services no longer rests with the Council. However, it is accepted that the Council will have a keen interest in any proposed savings and can request further information where required.

4.2.6 Responsibility for charging policy within Adult Social Care remains, however with the Council. A proposal to increase income is incorporated within the options and will be delivered by an increase of 2.6% on residential and 5% on non residential services.

4.3 Council Tax

4.3.1 A 3% increase in Council Tax, combined with the forecast growth in property numbers, would see the 2019/20 yield grow by over £2.5m from the 2018/19 forecast out-turn. This could take the total yield up to around £66.2m. The table below shows the incremental impact of a range of potential increases.

Increase (%age)	2018/19 Out- turn	Forecast Growth	Increased Yield	Total Increase	Total Yield
	£'000	£'000	£'000	£'000	£'000
0.00%	63,704	560	-	560	64,264
0.50%			321	861	64,585
1.00%			646	1,206	64,910
1.50%			974	1,534	65,238
2.00%			1,305	1,865	65,569
2.50%			1,639	2,199	65,903
3.00%			1,977	2,537	66,241

4.3.2 If maximum 3% increase is applied the Band D charge would rise from £1,135 to £1,169. With this rise the Council would remain comfortably below the Scottish average Band D charge, which was £1,208 for 2018/19. Council should note that the Budget gap of c£18m already reflects a 3% increase in the Tax.

4.3.3 The table below shows the impact of the 3% increase on each property band.

Band	2018/19 Charge	2019/20 Proposed Charge	Potential Increase
A	£756.67	£779.33	£22.66
B	£882.78	£909.22	£26.44
C	£1,008.89	£1,039.11	£30.22
D	£1,135.00	£1,169.00	£34.00
E	£1,491.26	£1,535.94	£44.68
F	£1,844.38	£1,899.63	£55.24
G	£2,222.71	£2,289.29	£66.58
H	£2,780.75	£2,864.05	£83.30

4.3.4 Households in receipt of Council Tax Reduction will be protected from the increase.

4.3.5 A provisional decision on the level of council tax would facilitate effective billing in early March to all households. This would help ensure that 2019/20 Council Tax bills can be calculated to reflect any increase and mailed out to both meet statutory obligations and afford council taxpayers adequate advance notification of the new charges.

5. Consultation

5.1 Engagement will be conducted with stakeholders as the Budget process progresses.

6. Implications

Financial

6.1 Preparation of a balanced Budget and compliance with it thereafter is a cornerstone of the Council's corporate governance obligations.

Resources

6.2 There are significant resources required to prepare the Budget and the ultimate Budget decisions taken by Members will of themselves impact on resources.

Legal

- 6.3 No legal implications arise from the report recommendations, other than to note that it is a legal requirement to set a balanced Budget before the statutory deadline date in March (albeit it is not invalid merely because it is set on or after that date).

Risk

- 6.4 There is a risk around the actual delivery of the agreed savings.

Equalities

- 6.5 Preparation of Equality & Poverty Impact Assessments (EPIAs) are an integral part of the Budget process.

Sustainability/Environmental Impact

- 6.6 This will be considered as part of the evaluation of savings options.

7. Conclusions

- 7.1 This report represents another element in the preparation of the 2019/20 Budget with specific attention to the Business Cases for the Falkirk Community Trust and the Integration Joint Board. The report also offers Council the opportunity to take a provisional decision on the level of Council Tax for 2019/20.

Director of Corporate & Housing Services

Author – Danny Cairney, Senior Corporate Finance Manager, 01324 506388,
danny.cairney@falkirk.gov.uk
Margaret Smith, Accountancy Services Manager, 01324 506366,
margaret.smith@falkirk.gov.uk

Date: 22 November 2018

Appendices

- Annex 1 – Falkirk Community Trust – (As per para 4.1.1)
Annex 2 – Integration Joint Board – (As per para 4.2.1)

List of Background Papers:

The following papers were relied on in the preparation of this report in terms of the Local Government (Scotland) Act 1973:

- Budget Working Papers

Annex 1

Enquiries to: Maureen Campbell
Direct Dial: 01324 590902
Date: 19th November 2018

Bryan Smail
Chief Finance Officer
Municipal Buildings
Falkirk

Dear Bryan,

Falkirk Community Trust Business Plan 2019/20

The Trust Board met on Thursday 8th November 2018 to approve the new Trust Business Strategy 2019-2024 setting out our future direction for the next five years and is attached as an appendix to the enclosed Briefing Report. The Business Plan for 2019/20 is also summarised in the briefing report, with the appendices provide supporting information. Due to the commercially sensitive information contained in Appendix 2, I request that this is excluded from the public publication of these papers.

2017/2018 was another year of significant success for the Trust that included the achievement of record levels of income, securing two highly coveted VisitScotland five star awards for Callendar House and the Helix as well as welcoming over 2,000 volunteers to assist in the delivery of culture and sport services. We attracted almost 4 million attendances across our facilities and our staff were instrumental in ensuring an excellent customer experience for our valued users.

In 2017 the Board agreed to invest in new business growth projects to improve the services we offer, create new customer experiences, to show how the asset portfolio could be enhanced to better meet customer expectations and to grow our income. By the end of 2018 we will have improved provision at the Helix Plaza café, created a new gymnastics centre at Stenhousemuir, launched a new afternoon tea offer in the Drawing Room at Callendar House and delivered a new professional pantomime at Falkirk Town Hall starring Falkirk's own Barbara Bryceland. At the Mariner the £1m investment by the Trust, in creating a new reception, café, welcome area and new soft play centre, has already created a new destination for young families. The new facilities have been warmly received with many positive comments from new and existing customers. Through these projects we expect to bring in additional income of £376k in 19/20.

Developments like this signal the type of provision that we endeavour to provide in the future. The briefing pack enclosed includes an exciting proposal to build on this work through the development of new state of the art Health and Fitness facilities at the Mariner and Stenhousemuir Gym. We seek the support of the Council to partner with us in this new £1.7m venture. It meets the SOLD objectives and the Council's Corporate Plan in that these projects will help to enable individuals to look after their own physical and mental wellbeing through regular physical activity. It also ensures that the Mariner is once again fit for purpose for the longer term in line with the ambitions of the Council's strategic asset review. We ask that the Council support the estimated capital works at a cost of £1.1m and to acknowledge the Trust commitment to meet the equipment costs of £0.6m. An early decision on this request would enable the works to be undertaken early in 2019 that would ensure that the income received would contribute to the savings target for 2019/20, thereby protecting other services that may otherwise be at risk.

The briefing report includes a request to amend the current Funding Agreement to remove the clause relating to a specific borrowing limit and to replace it with a statement that requires the Trust to commit to consult the Council in any funding proposal where the leases covering the operation of the Council's assets would be used as any form of security.

The briefing report acknowledges the Council's request that we plan for a reduction in the service payment of £1.25m in 2019/20. Our approach has been to consider how best we can continue to grow our income to help offset the reduction. In addition we have identified reductions in management staffing and in our supplies and service budgets to contribute to the savings target.

In recognition of the ongoing joint work with the Council in the strategic property review, local community planning and the recently formed group to develop a shared vision and high level outcomes, we have not made any recommendations for facility related service withdrawal. Instead we ask that the Council work with us to consider the outputs and feedback from all of the above work to identify and agree those sites that should be enhanced and developed for the longer term, those that might have greater community input to their management and operation and those that might be either closed or reused for a different purpose. The outcome of this work would be to agree how the gap of £874k, outlined in the attached report, could best be addressed.

We have been encouraged by the collaborative spirit and collective will shown in the shared vision working group and hope that this can deliver greater understanding and agreement about how we move forward together to ensure that we have a vibrant culture and sport offer in the future.

A number of specific requests are included within the briefing paper that allow for more time for collaborative working with the community, clubs and groups. We welcome your feedback on these and are happy to meet to discuss any particular item in more detail.

In accordance with our Funding Agreement please find attached two copies of our Business Plan documentation. I am also happy to meet with you and your colleagues to present the plans in more detail and to offer meetings to the political groups to explain our strategy and business approach and to answer any questions they may in their preparation for the Council meeting.

Yours sincerely

Maureen Campbell
Chief Executive

Falkirk Community Trust Briefing Note

Subject: Business Plan 2019/20
Meeting: Falkirk Council
Date: 15 November 2018
Author: Chief Executive, Falkirk Community Trust

1. Introduction

- 1.1 This report gives the Council an overview of Trust proposals to develop its 2019/20 Business Plan and in particular outlines proposals to address the planned reduction in service payment.
- 1.2 This report presents the new five year Business Strategy for the Trust for endorsement.
- 1.3 It is set against a backdrop of a continued financial pressure and has an increased level of uncertainty around the level of service payment that may be available from the Council for the year.
- 1.4 This paper presents a unique and exciting opportunity for the Council to partner with the Trust to invest in the Mariner and Stenhousemuir Gym to create new health and fitness facilities. These could generate additional income to offset the reduction in service payment thereby protecting other services at the same time.
- 1.5 The report highlights a gap in the budget proposals and recommends that this is addressed through building on the shared work with the Council to create and agree a vision for culture and sport going forward. It suggests that a joint group be established to review options against the Council's Corporate Plan and Trust Business Strategy.

2. Background

- 2.1 The Council has set out its approach to the development of a Medium Term Financial Plan (MTFP) over five years from April 2019. It notes that the Trust will be involved in this work and that we will be asked to prepare a longer term financial plan to support the delivery of our new Business Strategy.
- 2.2 In consideration of the phasing of the MTFP the indicative allocation to the Trust over the five years was as follows:

2019/20	£750k
2020/21	£1m
2021/22	£1.25m
2022/23	£1.25m
2023/24	£1.25m
Total	£5.5m

- 2.3 Since that report by the Council was approved the financial gap for 2019/20 has increased and, as a result, the Trust were notified on 15 October 2018 that the savings target for 2019/20 for the Trust has been increased to £1.25m. This may be increased further subject to how Council services manage to identify deliverable savings options. At this stage the five year target of £5.5m, representing a 50% reduction, has not been increased.
- 2.4 Work is ongoing between the Council and Trust to develop a shared vision for culture and sport services. This shared vision is to be reported to the Council in December and is likely to impact on future service delivery.
- 2.5 This context brings our new five year Business Strategy and the need for implementation of the Business Plan Approach to even greater focus. The joint work with the Council will be critical to agreeing a positive and constructive mechanism for developing a new approach to the business planning process, service review and ultimately shape future service delivery. The Trust board is keen to participate fully in the process and is encouraged by the discussions to date.

3. Business Strategy 2019-2024

- 3.1 The Business Strategy (Appendix 1) directs the development of our Annual Action Plans and wider business development approaches. Along with *Inspiring Active Lives: a Culture and Sport Strategy for Falkirk*, it is a key document for taking forward our work.
- 3.2 Our first Business Strategy covered the period 2014-2019. We have made significant progress in delivering it and this is summarised in the updated Strategy. However since 2014 we, along with others, have had to respond to significant budget reductions. This fact along with common themes across partners plans such as reducing inequality and poverty, promoting health and wellbeing have influenced the direction of the Strategy 2019-2024.
- 3.3 The Strategy for the next five years has been developed following a series of facilitated workshops that the Board held earlier in the year.
- 3.4 The Strategy focusses on three important areas:

Customers

- improving our understanding of what communities value
- helping motivate people who will benefit the most to participate
- inspiring and accessible programmes
- welcoming more customers

Viability

- finding new ways to grow income
- sharing responsibilities with partners
- using smarter contracting methods
- operating high performing assets

Leadership

- inspiring others to work with us
- establishing genuine community partnerships
- equipping employees and volunteers with community development skills
- communicating confidently

3.5 Our strategic objectives have been refined to:

- Meeting our customers' needs
- Ensuring our financial viability
- Growing our Leadership and community development capacity

3.6 We have identified priorities to guide our work and the key tasks that we need to focus on. They are priorities for the Trust but implementation will be dependent on our ability to lead and influence others. The six priorities are:

- Planning and Working Together
- Encouraging Health & Wellbeing
- Raising Image & Profile
- Generating Income
- Creating Business Efficiency
- Developing People

3.7 The equalities and wellbeing agenda is a key driver for the Strategy. However the role for culture and sport in the area's economic regeneration is also recognised and specific reference is made to promoting vibrant town centres. Working with the Council and cultural organisations to identify a way forward for a new arts venue in Falkirk town centre will be a significant area of work. Callendar House and the Helix, both 5 star attractions, have a role in supporting VisitFalkirk's tourism plans.

3.8 There are some key issues within the Strategy. Community Engagement and Capacity Building remains an area for development and an appropriate approach with the Council will be needed to enable us to assist the community to make the shift from a culture of entitlement to one of empowerment. The Strategy also flags the need to strike an appropriate balance between centralised and decentralised provision of buildings based services and joint planning with the Council and others on asset provision is required.

4. 2019/20 Business Plan Proposals

4.1 Our approach to developing an outline Business Plan has been to look at the service payment being reduced by £1.25m in 2019/20. In addition we used £345k from reserves last year that needs to be addressed in 2019/20 giving an overall savings target of just under £1.6m.

4.2 We have reviewed our plans for 2019/20 in the following areas:

- Review of 2018/19 Business Plan savings and income targets.
- Ability to generate additional income through the current and planned business growth projects including from customer income in 2019/20.
- Ability to deliver service efficiencies and savings that exclude full service reduction or withdrawal from sites. (This is in recognition of the clear message from Elected Members that they do not wish to see facility closures as savings proposals.)
- Opportunity to support alternative delivery options including greater involvement from clubs, groups and other organisations.
- Investment opportunities deliverable in 2019/20.

5. Review of 2018/19 Business Plan Savings and Income Targets

- 5.1 The 2018/19 Business Plan savings are largely on target, the golf course will not achieve its savings target with a shortfall of £50k. Delays in the installation of the car parking charges at Muiravonside Country Park also mean that the income target there will not be achieved. Project delays will likely result in the budgeted income target not being achieved giving an overall shortfall of £420k coupled with a loss of income at the Mariner of £81k due to the unplanned 7 week closure.
- 5.2 However in recognition of the delays and income shortfall we have held back on expenditure and therefore expect to finish the year with a break even position.

6. Ability to generate additional income through the current and planned business growth projects including from customer income in 2019/20.

- 6.1 Our original Business Growth plans for 2019/20 had indicated an intention to grow income by £776k in 2019/20 on the basis that all of our income growth projects would be up and running during 2018 and that we would have appropriate resources to increase marketing and sales to attract and retain new and existing customers. This figure has been reduced to £376k. This is more realistic and achievable given the capacity and capability within our teams and the Council's SLA related support.
- 6.2 The projects that are delayed will hopefully become live during 2019/20 however given the level of uncertainty and delays to date it is considered prudent not to rely on the income for business planning purposes.

7. Service Efficiencies and Savings

- 7.1 Each year we have identified efficiency savings mainly related to reducing staffing budgets and cutting back on essential supplies and services. It is proposed that this be continued in 2019/20. The main proposals are to permanently reduce by 1.7FTE management posts giving a saving of £100k and to reduce the supplies and services budget by £100k. This will include reductions to the book fund, not replacing equipment and generally extending the life of equipment whilst maintaining safe use.
- 7.2 The Trust Trading Board has also been looking at its strategy for 19/20 and has identified that it has just two loss making sites in its portfolio. Action is being taken to tackle this. At Bo'ness Recreation Centre the café opening hours will be adjusted by 8 hours and new vending provisions will be installed to better appeal to customers. At Zetland Park it is proposed that the kiosk opening days be reduced from 183 days per year between April and October to 100 days. This means that the kiosk and adjacent public toilets will be open weekends and school holidays only. Notices will point customers to the toilets and café facilities available at Grangemouth Sports Complex when the kiosk is closed. While this will hopefully lead to a reduction in the extent of the reported losses it will still likely lead to losses. The Trading board is keen to continue to support this provision for the coming year and to look at options to further reduce the losses in the future.

8. Opportunity to support alternative delivery options including greater involvement from clubs, groups and other organisations.

- 8.1 A key component of the Business Plan Approach is to engage clubs and community groups in the delivery of services. We have made tentative steps in this regard. We were hopeful of Grangemouth Golf Club taking over the operation of the Grangemouth Golf Course from April 2019, however the Club has recently requested an extension to their planning period to ensure that they are able to complete a fully worked up Business Plan that will have the support of the Council for the longer term benefit of the course, local golfers and the Club. To grant such a request would though require the Council to reinstate a budgetary allocation for the operation of the golf course that had previously been accepted as a budget saving item. This is a similar request to that made by the community group taking over the operation of Woodlands Games Hall last year.
- 8.2 The Trust has successfully attracted increased levels of income whilst at the same time reduced its levels of expenditure at the course this year. However, there remains a projected operational funding deficit of approximately £50k in this financial year.
- 8.3 The Trust's Board considered the Club's request for an extension at their meeting on the 8th of November and agreed to continue to operate the Course with the following conditions:
- That the Council agree to provide additional funds of approximately £50k for 19/20 to the Trust to enable the continuation of the operation of the facility.
 - That the Club seek professional advice from Falkirk Council's Business Gateway support services in their preparation of their Business Plan to help ensure that it is completed in a format suitable for the Council's consideration.
 - That a clear project programme be agreed with representatives of the Trust and the Council, at an early stage of the process, that outlines key milestones and actions that need to be taken to ensure a smooth transfer of the facility by the 1st of April 2020.
- 8.4 The Trust has formally informed the Club of the Trust's willingness to support the future operation of the course subject to the aforementioned conditions.
- 8.5 The Trust's transfer of the facility, as had been previously planned by the end of March 2019, would undoubtedly lead to the closure of the facility and the demise of the Club, which is in no-one's interests. Such a situation would also lead to the loss of income from the current lease arrangement the Council has with the Club, not to mention the costs to make the clubhouse and changing room areas safe and secure, pending a longer term decision taken about the future of the building.
- 8.6 The Trust consider that the best financial option, that would also support the local community's use of the facility, is to allocate additional funds of approximately £50k to the Trust to enable their operation of the course until April 2020.
- 8.7 The Ski Club is looking at ways to assist in improving the viability of the Snow Sports Centre and the gymnastics clubs who are planning to move to the Carron Gymnastics Centre will support its operation and management arrangements from January 2019.
- 8.8 We continue to have discussions with other groups who might be able to assist in our operations though, as yet, no new interest has been forthcoming.

- 8.9 We have been delivering the annual fireworks event over the last three years although it had been earmarked as a potential saving. In 2016 and 2017 the Council provided funding and in 2018 the Trust funded the event from reserves. This was in anticipation of the community being engaged to support the event through donations. However in spite of over 25,000 attendances each year we have been unable to raise sufficient funds to sustain the event going forward. A decision now needs to be taken on the future funding of the event. The Trust asks that the Council review its position in respect of financial support. A budget of £30k is required to continue the event.

9. Investment Opportunities Deliverable in 2019/20

- 9.1 We have exciting proposals to develop and extend the health and fitness provision at the Mariner and Stenhousemuir Gym. This would require an early capital investment of £1.7m to ensure delivery in Q2 2019/20. The proposal involves the creation of a new health and fitness facility located on the upper floor of the Mariner Centre offering new studios, gym space and better areas for consultations, customer engagement and assessments. At Stenhousemuir Gym the plan is to extend into the adjacent unit to create new studios, better reception, consultation and additional gym capacity. A Business Case has been produced showing the market demand, gaps and opportunities for development as well as the associated costs, cash flow and development timetable. Appendix 2 summarises the proposition.
- 9.2 The five year estimate is that this could deliver additional income totalling £1.5m over 5 years. The Council is asked to invest £1.1m in the capital improvements and the Trust will fund the specialised equipment at cost of £0.6m to create these new facilities that would include the use of new technology to create the first facility of its kind in Scotland. Assuming that a commitment to invest is made soon the facilities could be open and operational by Q2 2019/20 and making a contribution of £150k to the 2019/20 savings target.
- 9.3 This project would be a continuation of the modernisation of the sport portfolio that gives the Mariner Centre a secure long term future and signals to the wider community the level of ambition and creativity that underpins our longer term improvement plans.

10. The Gap

- 10.1 The proposals outlined above deliver an overall savings impact for 2019/20 of £726k leaving a gap of £874k to be found from service reductions. It is proposed that rather than pursue the approach of identifying specific sites for potential withdrawal that the task of identifying options is taken up jointly with the Council. It is suggested that a group is set up to consider the priorities and impact set against the Trust Business Strategy, the Council's Corporate Plan and the wider community planning agenda.

10.2 The table below summarises the information outlined:

INCOME		
Realistic income growth goal	£376k	Made up of: Callendar House 41k FTH 70k Mariner Soft Play 110k Carron Gymnastics 10k Helix 75k Hippodrome 20k Health and Fitness at Grangemouth and Bo'ness 50k
Growth from investment	£150k	Subject to investment of £1.1m capital and £0.6m equipment. Part year income from Y1 of Mariner and Stenhousemuir Gym Health and Fitness Business Plan. Assumes Q2 opening for both.
Total from Income	526k	
REDUCTIONS		
Permanent Reduction in TL staffing	£100k	Reduction in Management posts.
Service Efficiencies	£100k	Review of ongoing supplies and services
Total Reductions	200k	
Total income and reductions	726k	
GAP - Service reductions	874k	Subject to discussion with the Council
Total	£1.6m	

11. Fees and Charges

- 11.1 The setting of fees and charges is a matter solely for the Trust, in accordance with the requirements of having charitable status. In this respect we established a set of principles that had at its core the aim of having customers perceive the fees and charges as representing 'good value for money'. However, given the significant budgetary pressure to generate additional income, much work continues to be undertaken to determine the most appropriate fees and charges for all the activities and services that are provided.
- 11.2 The need to grow membership levels within our health and fitness services continues and previous tactics in this area that encourage increased membership numbers, instead of simply raising charges for existing members, has proved successful. With this in mind it is proposed to 'freeze' existing peak membership category charges and to no longer offer 'off-peak' categories, as the gap between the two is now relatively small. Existing off-peak memberships will however continue to be honoured. A unique selling point of health and fitness memberships is that customers can join and leave whenever they wish as they are not tied into a contract, as many of the commercial sector organisations require. However, it is intended to slightly increase our joining and

induction pack charges as these currently provide good value for money, which should also contribute to improving retention levels. Particular success has been achieved in the 'Active Forth' programme this year and to continue to grow this area of specialist support for those in greatest need of physical activity and recovery support, membership charges will also be frozen in this area.

- 11.3 In relation to the desire to improve customer retention levels, the opportunity to continue to visit Hippodrome screenings, at reduced charges, when compared to the new standard prices to be introduced, will be provided through the purchase of an annual 'More Hippodrome' card. Non cardholders will however be charged at rates higher than existing charges and more in comparison with the commercial sector. This two tier system will act as a pilot approach for potential rollout across other Trust services in the future and will therefore be closely monitored to ascertain its success or otherwise.
- 11.4 The Trust has needed to introduce new and amended existing prices throughout 2018/19 given the opening of the Mariner Softplay area and to encourage the maximum number of season ticket holders to the Grangemouth Golf Course and it is expected that additional activity charges will also be required at a variety of stages throughout the next financial year.
- 11.5 It is expected that the actions proposed will deliver additional income in 2019/20, assuming participation levels are retained at existing levels. Similarly, the income projections associated with such a review assumes that all the services will continue to operate beyond the 1st of April 2019; however this may not be the case in some activity areas.
- 11.6 Appendix 3 highlights the significant changes to fees and charges in 2019/20, as there are many other adjustments which will be made. Following acceptance of the Business Plan, a full list of the fees and charges will be prepared and communicated to customers before their implementation.

12. Capital Proposals

- 12.1 The Business Plan Approach has been developed to enable the Trust to grow income through the development of services that are attractive to customers, which will result in increased levels of income generation and subsequently less reliance on Council revenue funding. The transformation of the Mariner entrance, reception, café and new soft play facility signal the standard of facility we seek to offer to better meet customer expectations. The new Gymnastics Centre and the development of the Drawing Room in Callendar House are further examples of our approach in action.
- 12.2 The proposals to create new health and fitness facilities at the Mariner and Stenhousemuir Gym would mark another step on this journey and collectively would show how overall provision is being improved. The request for £1.1m from the Council to facilitate the capital works is essential to this work.
- 12.3 In addition we request £522k for projects outlined in Appendix 4. These proposals are items of inescapable works to comply with health and safety and to keep sites operational. The total capital requested from the Council for 2019/20 is therefore £1.622m.

- 12.4 Additional submissions of approximately £2m per annum, over the next three year period have been made to the Council capital programme to help resolve many of the outstanding backlog maintenance items across the portfolio of assets operated by the Trust. However it is recognised that they are not likely to be funded due to constraints within the programme.

13. Human Resource Implications

- 13.1 The proposals outlined in this report will not directly affect staff. The business growth projections are based on the current staffing arrangements. The proposed reductions at Team Leader level are in posts that are currently vacant.
- 13.2 In a change from previous years we are not highlighting any specific sites to be considered for withdrawal although this may emerge from the joint discussions with the Council in addressing the gap highlighted in paragraph 10.1. In order to fulfil our obligations to employees we may need to increase the funding required to meet the costs of severance once the specific sites and staff affected are known. The Trust reserves includes an allocation of £237k to meet severance costs, however this is likely to be insufficient to meet the full costs.

14. Financial Implications

- 14.1 The Business Plan brings together a number of work themes, many of which carry over from one year to the next. Others are new proposals that are intended to improve our financial stability against a back cloth of severe financial constraint.
- 14.2 The table overleaf summarises the indicative financial position for 2019/20 and notes the request for a service payment of £10.05m. This is on the basis that the proposals relating to the gap of £874k can be delivered by 1 April 2019 and that any associated severance costs, if required, can be met from the allocated reserves budget. It excludes any allowance for the ongoing operation of Grangemouth Golf Course and the continuation of the annual fireworks event.

2019/20 BUDGET
BUDGET SUMMARY

	BUDGET 2018/19	PROPOSED BUDGET 2019/20
	£'000	£'000
Employee Expenses	12,332	12,575
Property Expenses	2,362	2,408
Transport Expenses	182	187
Supplies & Services	3,789	3,710
Third Party Payments	473	473
Support Services	806	806
Capital Costs	94	94
TOTAL EXPENDITURE	20,038	20,252
Service Payment	10,891	10,050
Other Income	8,802	9,329
Contribution from Reserves	345	-
TOTAL INCOME	20,038	19,378
BUDGET GAP		(874)
NET EXPENDITURE	-	0

15. Risk Implications

- 15.1 The uncertainty noted on paragraph 2.3 regarding the level of savings that are required to assist the Council balance its budget in 2019/20 means that there is a risk that the level of reduction in the service payment may increase over the coming months; it could also reduce although that seems unlikely at this time.
- 15.2 The business growth work is showing early signs of positive results. It is also hoped that the new website, ticketing system and implementation of new technology to assist in customer feedback and retention in swimming and health and fitness will have a significant impact on achieving income targets.
- 15.3 In previous years we promoted the use of reserves to allow time for community engagement work to be undertaken. We have learned that this takes much more time and capacity on the part of the community participants and so are not proposing that savings are included in advance this year. We are continuing to engage with users, clubs and other organisations and will add any certain savings that can deliver in future years plans. This approach reduces the risks associated with the under achievement of savings targets.
- 15.4 Finally, the backlog maintenance issues have been widely reported and are understood by both the Council and Trust staff. However the continued under investment in key sites leaves them vulnerable to service failure. Our inability to provide modern fit for purpose facilities severely constrains our ability to attract and retain customers thereby impacting on our ability to create a sustainable and thriving business, the result of which will impact on the wider Falkirk community in terms of their general health and wellbeing and indeed their pride in the area.

16. Funding Agreement Amendments

- 16.1 In order to enable the Trust Board to consider future investment proposals in a timely manner it is suggested that there is an amendment to the Funding Agreement to remove the clause relating to a specific borrowing limit and to replace it with a statement that requires the Trust to consult the Council in any funding proposal where the leases covering its assets would be used as any form of security. This would enable relationships to be built with social enterprise funders and alternative funding sources explored where a quicker decision making process might assist business growth. The opportunity to partner with the Council on specific larger scale projects would be retained.

17. Conclusions

- 17.1 Income from customers in 2018/19 is on track to exceed all previous years for the 5th year in a row. This outline Business Plan contains a range of proposals that demonstrate early progress toward the implementation of our business growth plans along with actions that have been taken to increase the pace in this area for next year to further develop the business and grow income in 2019/20.
- 17.2 A new exciting proposition to create market leading health and fitness provision is outlined for the Mariner and Stenhousemuir Gym reflecting the ongoing development of these sites as exemplars for future provision in the area. This is predicated on a request to the Council to increase its capital investment to support the implementation of the Business Plan Approach and to help us in the delivery of our Business Strategy objectives.
- 17.3 The report highlights a significant gap in funding for 2019/20 to be found from savings in areas that are not defined. This is to allow the new partnership work with the Council to develop a shared vision to directly influence future provision for culture and sport moving forward.
- 17.4 The proposals outlined here support the first year of implementation of our new Business Strategy.

18. Recommendations

18.1 The Council is asked to:

- a) Endorse the Trust five year Business Strategy 2019 -2024;**
- b) Note the proposals to continue to grow income through the business growth projects;**
- c) Note the proposals from the Trust Trading Company to make minor adjustments to catering provision at Bo'ness Recreation Centre and to reduce the number of operational days at Zetland Park Kiosk;**
- d) Agree to the request for continued funding of £50k for Grangemouth Golf Course to allow for more time for the Club to prepare and submit its Business Plan for consideration by the Council;**
- e) Consider whether to revisit the earlier decision on funding support for the annual fireworks event at a cost of £30k;**

- f) Agree that a working group involving the Council and Trust Board representatives and staff, be asked to make recommendations to the Council and Trust Board to address the shortfall in funding outlined in paragraph 10.1**
- g) Endorse the approach to fees and charges for 2019/20 outlined in paragraph 11;**
- h) Agree to the request for £1.622m for capital funding comprising £1.1m to facilitate the creation of market leading health and fitness provision at the Mariner and Stenhousemuir Gym and £522k to enable essential works at other locations outlined in Appendix 4;**
- i) Agree to amend the Funding Agreement to encompass the flexibility outlined in paragraph 16.1.**

Maureen Campbell
Chief Executive



Falkirk Community Trust

Business Strategy

2019-2024

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INTRODUCTION

This Strategy is about how the Trust position's itself to make the best possible contribution to improving quality of life for all communities in the Falkirk area. We operate in an ever changing world and it is intended to help us adapt to meet challenges and opportunities that lie ahead.

Developed by the Board, the document sets out our Business Strategy for 2019-2024. Whilst it picks up the objectives and many of the priorities of the previously published Strategy for 2014-2019, we have in the interim reviewed our business approach to respond to the changing context in which we are now, four to five years on, operating. We are transitioning towards playing a more facilitating role in the community, expecting that we will soon be operating with much less funding and from fewer venues.

The Trust is a community organisation with a governance structure that places it at the heart of Falkirk's communities. Our primary purpose is to serve the people of this area to the very best of our ability and this Business Strategy has been developed to help us to do that.

The value of what we do is, we firmly believe, ever more important at a time when a preventative agenda is necessary to help alleviate some of the many pressures on diminishing public funds such as for healthcare and social services. Helping people to help themselves to better health through easy access to all the life-enhancing activities that we have on offer is a key thrust of our Strategy.

Evidence points to deprivation, poverty and equalities issues being important factors in individuals' health and wellbeing. To help address these issues we must maintain, or better still, enhance services, which may be facility-less, for those most in need. We know we need to continue to be effective but to do so with reducing means. Our approach is to increase the income generating ability of selected venues to reduce or remove their subsidy, thereby enabling funds to protect the equally important but less income-driven services.

We are a leader for culture and sport but we are by no means the only organisation with an interest in culture and sport in the Falkirk area. There are a plethora of organisations, large and small, which either deliver services, through clubs for example, or value the contribution made to quality of life, such as community planning partners. Our approach is to shift some of our focus from managing a large number of facilities to leading and facilitating others. Only by spreading responsibilities wider across a greater number of charitable and community organisations can we hope to sustain all that is great about culture and sport.

Effective partnership, particularly with Falkirk Council but increasingly with others such as health partners, will be critical to success and we look forward to fruitful collaboration over the next five years.

David White
Chair, Falkirk Community Trust

ABOUT US

Who we are and what we do

Falkirk Community Trust is a charitable organisation. Our mission is to lead culture and sport to enrich people's lives in the Falkirk area. We deliver a wide range of culture and sport services on behalf of Falkirk Council and we want Falkirk's communities to be the most creative and active they can possibly be.

Our services include arts, heritage, libraries, sports, recreation and events and we manage over 80 sites across the area which range from the world renowned Helix and Kelpies, unique heritage attractions of Grade A listed Callendar House and the Hippodrome Cinema, three large historic parks, specialist facilities such as the regionally significant Grangemouth Indoor Athletics Centre to local libraries, sports venues and pitches in neighbourhood areas.

Our values demonstrate the importance we place on people:

- **Valuing** the positive difference people make
- Acting with **integrity**
- Placing **people's needs** at the heart of everything we do
- Being **proud** of what we can achieve together

Our Achievements

In four financial years of our first Business Strategy we achieved a 28% increase in customer income, a 29% increase in participation by young people, a massive turnaround in our trading activity and reduction in our reliance in funding from Falkirk Council, down from 69% - 60%. This was with a 17.5% reduction in our annual core funding from the Council.

We did this through introducing thematic marketing plans focusing on families, older people and those with less means and increasing our use of digital communications. We invested in new technology in our libraries and moved towards a new online sales capacity. We introduced new activities in arts, sport and trading and improved our asset base. We grew our organisational profile and embedded our culture, values and ethos and offered new opportunities for volunteers to work with us. We helped our people to be more customer focussed, project driven and innovative and we looked to working more closely with stakeholders and community groups as the way forward.

A brief review of our journey over the last four years can be found on page 12.

Our Ambition

Our ambition is for people to be the most creative and active they can be, to be inspired and motivated to participate, enjoy new experiences and to take part in activities that are relevant, affordable and accessible. Our first Business Strategy set out this ambition in 2014 and we have been journeying towards it since then. Whilst much progress has been made the ambition remains as relevant now as it was.

By 2024 as a result of this five year Strategy:

Falkirk Community Trust will be operating from venues that people want to use, with a more responsive programme offering high quality for our customers. We will be a trusted and valued organisation, secure in our role as a leader for culture and sport and with diminishing reliance on Council funding; we will be more flexible, entrepreneurial and commercially minded. We will have created champions for culture and sport and have loyal volunteers and a workforce who motivate a huge cross section of the community to take part in culture and sport that improves their lives.

Our Strategy

This document sets out a framework to guide action over the next five years to help us to carry on delivering culture and sport that enriches people's lives and creates a vibrant place.

In autumn 2016 the Trust Board agreed that although the then Business Strategy was still relevant, they wanted to take a longer term view and the Business Plan Approach was developed in response to increasing funding pressures. It outlined a three year programme of work that was intended to protect and modify service delivery and assumed a significant reduction in Council funding over a five year period from 2017. It set out a number of shifts and a forward route plan through:

- Community engagement and involvement so that facilities could be managed in partnership with community groups with a view to transferring them in part or whole over time;
- Sustaining community infrastructure through facilities that don't yet have an identifiable community support mechanism but make a significant contribution to meeting need;
- Generating income in facilities that have the potential to grow to reduce subsidy while still contributing to the area's strategic objectives.

We have developed this second Business Strategy mindful of the route plan outlined above, and the progress made and learning from it to date, and the Strategy 2019-2024 focuses on three important areas:

Customers

- improving our understanding of what communities' value
- helping motivate people who will benefit the most to participate
- inspiring and accessible programmes
- welcoming more customers

Viability

- finding new ways to grow income
- sharing responsibilities with partners
- using smarter contracting methods
- operating high performing assets

Leadership

- inspiring others to work with us
- establishing genuine community partnerships
- equipping employees and volunteers with community development skills
- communicating confidently

OUR STRATEGIC CONTEXT

We are the lead body for culture and sport in the Falkirk area and we believe passionately that participation in culture, sport and physical activity makes a positive and valuable contribution to the health and wellbeing of individuals and the whole community. Over the last five years we have been laying the foundation for this Strategy which as before is intended to help create possibilities that will make the most positive impact over the next five years.

What's changed

However over the past four years we have had to respond to significant budget reductions which when taken cumulatively amount to approximately £4 million and are having a serious impact on our viability. As the Council's financial position has become more constrained this is placing greater pressure on non statutory services such as those being delivered by the Trust. This ongoing reduction in funding is happening at a time when there is a growing recognition of the contribution that culture and sport makes to statutory service delivery. The boundary between statutory and non statutory service is becoming more blurred and the social return on investment, for example, in services that promote health is much more widely recognised. The impact on the health and well-being of the community, the local economy and indeed the overall loss of Falkirk's 'sense of place', if funds continue to reduce is immeasurable and should not be underestimated.

The need for collective effort is picked up in other plans and strategies operating at a local level most of which are new since we created the first Business Strategy:

- A Thriving Forth Valley – NHS FV Health Improvement Strategy 2017-2021
- Falkirk Community Planning Partnership – Strategic Outcomes and Local Delivery Plan 2016-2020 (SOLD)
- The Council Corporate Plan – Our Council, Our Area, Our Services 2017-2022
- Establishment of Falkirk Health and Social Care Partnership – the Integrated Joint Board
- Inspiring Active Lives – a Culture and Sport Strategy for Falkirk 2014-2024

One of the most significant factors that has emerged is an increasing focus on improving mental wellbeing. The Health Improvement Strategy seeks to tackle preventable illness, reduce the inequality gap and promote physical and mental wellbeing. It highlights how mental health and wellbeing is a national priority and to achieve good mental health requires a systematic approach to prevention and early intervention. It flags the links to deprivation and seeks to target specific groups of children and young people known to have poorer mental health.

The Community Planning Partnership has placed a particular focus on improving mental health and wellbeing in the Falkirk area as well as addressing the impact of poverty on young people which is to be given the greatest attention. These are in addition to seeking to improve the health of the local population and, reflecting an ageing demographic, that people can live full, independent and positive lives within supportive communities. Increasing physical activity levels is an action within the SOLD which the Trust is leading on.

The Council's Corporate Plan recognises the period of significant change is continuing and looks to balance aspiration and ambition with ability to achieve. The priorities of this Plan encompass

People, Place and Partnership and areas of particular focus that are of relevance to our Strategy include children and young people, reducing the impact of poverty on families and working with the third sector and communities to help them thrive by delivering services differently. The Plan sets an agenda for modernisation, change and organisational transformation. The Plan also highlights the role for “Inspiring Active Lives” in improving the outcomes for citizens and communities.

The Integrated Joint Board’s Strategic Plan, whilst focusing on an ageing population, also places an emphasis on reducing poverty, equality of access, health and wellbeing. It aims to enable individuals, carers and families to manage their own health, care and wellbeing.

The common themes across partners’ strategic plans that are particularly important for culture and sport can be summarised as:

- Reducing inequality
- Reducing poverty
- Promoting health and mental wellbeing
- Giving children and young people the best possible start
- Working with communities

Under the Council’s Place priority we also play a role in growing the area’s economy, attracting inward investment and promoting vibrant town centres. Callendar House and the Helix, both VisitScotland 5 star attractions, have a key role in the area’s tourism development. The Trust works closely with partners through VisitFalkirk to implement tourism initiatives.

“Inspiring Active Lives”: A Culture and Sport Strategy for Falkirk 2013-2023

The Trust led the creation of this Strategy that helps guide our own work and that of partners for a ten year period. It takes account of the issues facing the area, culture and sport specifically and sets the direction for all local culture and sport organisations. It looks to the Trust to lead the implementation of the Strategy through Delivery Plans created with relevant partners.

The two main aims are:

- To increase and broaden participation in culture and sport
- To help secure recognition for the Falkirk area as a vibrant place

“Inspiring Active Lives” is organised round four themes:

Participation: Improving sense of wellbeing, enriching lives of people of all ages and ensuring co-ordinated structures are in place to enable participation from the ‘grass roots’.

Motivation: Connecting with people and motivating them to take part in opportunities that are relevant, accessible, affordable and meet expectations.

Venues: Providing a focal point for participation and community cohesion, attracting visitors, enhancing the image of the area and ensuring fit for purpose venues that meet expectations.

Partnership: Making sure all forward plans are aligned to partner expectations.

All of the above has been an influencing factor in determining our business priorities over the next five years. But of particular importance are Health and Wellbeing and Inequalities. Maintaining services for those most in need may not require major facility provision. Currently two local Community Sports Hubs operate in a range of community settings; we deliver services directly in Care Homes; and activities in the outdoors such as buggy walks take place on local path networks. In this document we describe such services as facility-less.

OUR OBJECTIVES

We will achieve our five year ambition through three strategic objectives:

- Meeting our customers' needs
- Ensuring our financial viability
- Growing our leadership and community development capacity

Meeting our customer's needs

People are at the heart of everything we do, be they customers or potential customers

Good progress has been made in improving our technology to help us know more about our customers and markets and now we will use this to reach and respond to the widest audience.

Working to this objective will require:

- Understanding what communities value
- Use of technology to motivate and communicate
- Accessibility and value for money
- Growing customer loyalty
- Targeted approaches to engage those most in need

Ensuring our financial viability

Being efficient, effective and operating with reducing means

We are becoming less reliant on Council funding but we are unable to move at the same pace of change as the ever reducing levels of funding. With the Council's support we need to quickly shift to a portfolio of diverse facilities, management models, service delivery options and sources of income. Decisions taken need to be based on robust evidence for investment that secures the best outcome for the whole area.

Working to this objective will require:

- A smaller core of high performing assets
- Income generation to maintain and invest in service provision
- Strategic use of surpluses
- Partnership
- Smart contracting and borrowing

Growing our leadership and community development capacity

Some of our focus needs to move from managing to leading and facilitating

We want to lead and support the shift from entitlement to community responsibility and from service provision to community enablement and education.

Working to this objective will require:

- Leadership that guides and supports others
- Engaged and motivated volunteers
- Employees with community development skills
- Excellent communications that inspire confidence
- Responsibilities spread across a greater number of charitable and community organisations

OUR PRIORITIES

We have identified six strategic priorities. These are areas of work which are of significant importance to the future of the Trust and the services we deliver and will make considerable contribution to “Inspiring Active Lives”. Although taking broadly the same direction as our previous Strategy we have made some additions to reflect the need to refocus our direction of travel. They are priorities for the Trust but implementation is very dependent on our ability to lead and influence others as shown below.

Planning and Working Together

To be an effective contributor we need to be involved in genuine partnerships that move from planning together to working smarter together. With fewer resources, this is the step change needed to make a positive impact for communities. There is also a need to strike an appropriate balance between centralised and decentralised provision of building based services. All the area’s plans describe this changing landscape across the public and third sectors but success will depend on growing the capacity of people to work in this way.

Over the next five years we will:

- Identify how we could better support community groups to programme and manage venues either by themselves or working alongside us;
- Ensure we engage at ‘grassroots’ level with our communities of interest, and make best use of existing mechanisms such as locality planning to work with geographic and neighbourhood communities;
- Take a lead role in co-ordinating programme provision with others, be willing to innovate more and introduce new content, taking measured risks where considered manageable;
- Engage with partners to share any available research that would help us better understand community needs and be open to joint commissioning of research;
- Improve how we build in accessible opportunities from the outset for engagement of communities and customers in our planning for new initiatives;
- Work with the Council and cultural organisations to identify a way forward for a new arts venue for the area;
- Develop our organisation to help support the objectives of funding partners.

Encouraging Health & Wellbeing

To fully play our part we need to be more focussed on supporting health priorities. National and local plans highlight mental wellbeing as a major issue. Working with partners to identify those who will benefit most, we need to motivate people to do more to help themselves and be more active. Success will depend on targeted funding and a systematic and joined up approach that can support at an individual level as well as across whole communities.

Over the next five years we will:

- Engage with the appropriate community health services to identify and develop joint funded programmes and initiatives;
- Promote the mental health and wellbeing benefits from engaging, whether as an active participant or an audience, in all the services we offer;
- Promote workplace health, active travel to, and healthy eating in, our venues;

- Work to motivate the least active across the population to participate and continue to develop specific activity that meets their needs;
- Make sure we develop programmes that allow geographic access, create thematic content and encourage people to progress, maintaining a balance of both facility based and development activity and populist with more challenging content;
- Focus on increasing physical activity levels of adults over 45 years to help minimise the future health burden from the projected increase in older adults in the population;
- Engage parents/carers in the most deprived areas to increase the numbers participating in activities for under 3's and work to increase the participation of all children living in poverty in our programmes.

Raising Image & Profile

To develop our organisation and be an effective leader we need to celebrate our successes and be a great communicator. By being widely recognised and valued we can use our visibility to create a healthier business that helps create a more vibrant place and contribute to the area's economic and tourism growth. Success will depend on a positive attitude, effective branding and messaging that makes best use of technology.

Over the next five years we will:

- Celebrate and communicate success widely, with employees, communities and partners;
- Ensure that growing our brand awareness is something that everyone in the organisation and communities can contribute to and become champions for the services we deliver;
- Support area wide placemaking and an internationalisation agenda, particularly through the visitor destinations that we manage;
- Work with an increased range of local and national partners, including businesses, who ideally will describe us as excellent partners to work with;
- Explore new ways of deriving funds through, for example, expanding our competitive funding base and developing new forms of funding;
- Continue to develop our digital communications and engagement tailored to a wide range of audiences.

Generating Income

To remain viable we need to find discrete and attractive new income streams. As a charity we generate funds to deliver front line services to the community. To help address poverty and equality issues we must maintain services, which may be facility-less, for those most in need; funding this by increased income to reduce or remove subsidy in selected venues. Which venues and where services are to be delivered is business critical. Success will depend on commercial acumen, innovation and wise investment.

Over the next five years we will:

- Deliver a programme to refresh our major venues ensuring they contribute effectively to an excellent customer experience;
- Monitor and respond to trends and identify opportunities for new programmes and uses of venues where return on investment can be optimised;
- Take forward a number of business growth initiatives that will widen opportunities for more people to be active more often, projects identified (2018) include at Grangemouth Sports Complex, the Mariner Centre and the Helix;

- Introduce smarter contracting and borrowing routes, making greater use of strategic frameworks and partnering with leisure developers;
- Take a prioritised and project driven marketing approach that delivers return on our investments and meets business case objectives;
- Seek ways to better integrate our customer sales activity and increase cross sell, building this into our plans for implementing events, programmes and venue promotion.

Creating Business Efficiency

To be efficient we need to modernise. We must capture and use information and market intelligence, grow membership and loyalty base and drive business costs down. Success will depend on making technology easy for customers and staff to engage with.

Over the next five years we will:

- Make best use of improved customer information to provide a stronger evidence base for decision making;
- Continue to improve our electronic point of sales systems to generate information that drives service delivery improvement;
- Continue to use ICT investment to move the business forward by responding to how customers expect to access information and better engage with the Trust;
- Encourage and support a mobile and flexible approach to the work environment;
- Review SLAs to ensure we have the appropriate mix and blend of effective and value for money support services to meet our business needs.

Developing People

To be the best we can be we need the right people, with the right skills in the right places. We must grow our knowledge and skills base especially in income growth and community engagement. Recognising we need to increase the pace of change, success will depend on motivating our people and externalising more to gain skills to address project driven challenges.

Over the next five years we will:

- Support and encourage staff to take entrepreneurial and collaborative approaches that meet Trust objectives;
- Recruit and develop a workforce that demonstrates excellence in customer service at its core;
- Develop skills within our workforce to enable staff to grow capacity and empower communities to do more for themselves;
- Consider how we can tap in to internships or other external resources to add specialist resource to specific projects;
- Offer increased levels of volunteering that enhance service delivery ensuring through co-ordination and training that a quality standard is set and maintained and that volunteers' expectations can be met;
- Match volunteering opportunities so that volunteer effort helps those who need help most.

DELIVERY

Delivery of this Strategy will be dependent on making best use of available resources, developing competencies, having robust action plans and effective monitoring of our progress.

Financial Strategy

Our financial planning is currently governed by an expectation that public sector funding will continue to decline at an unprecedented level. Funding from the Council (2017/18) makes up 60% of the income we receive therefore sustained reduction will carry on having a significant impact. We plan to continue to offset this through a combination of income generation, efficiencies and service reductions. However the scale of savings, when considered over five years is such that the focus of our financial strategy may have to place greater consideration on service reduction proposals.

To minimise the financial impact on services our strategy is to grow income where we can in order to protect valuable services which do not have income generating capacity particularly from customers. We are doing this through business growth projects. Currently in 2018, projects in development are:

- Improved customer facilities at the Hippodrome
- Introducing professional pantomime at FTH
- Expanding the afternoon tea offer at Callendar House
- Conversion of a sports centre to a specialist gymnastics centre
- Partnering with leisure developers to optimise investment opportunities in sports facilities

These changes will appeal to customers and generate more income. However it has taken time to get projects off the ground, and we must act quickly, along with the Council, if we are not to put services at greater risk of reduction.

Our approach is also to review with stakeholders those assets and services where changes to management arrangements or reductions could be made and to focus our attention on those core assets which make the greatest contribution to income and / or to “Inspiring Active Lives”.

Annual Action Plans

We will deliver the objectives and priorities described in this Strategy through a series of annual action plans. Each action plan will be part of our annual submission to Falkirk Council in respect of our Funding Agreement and will be published in April following conclusion of each year's funding settlement. The annual Action Plans will consist of action that directly contributes to this Strategy and will not include routine operating activity.

Delivery Resources

Effective marketing is essential to deliver the Strategy. This is dependent on making better use of market intelligence and customer data as well as building our profile and brand awareness. We need to review our employee skills mix to ensure we have income generation and community capacity building competencies. Both are priorities in the Strategy.

Monitoring our Progress

We will monitor and report on our progress. A suite of performance indicators will be set out in the annual Action Plans. Strategic indicators to measure the success of this Strategy over the next five years are set out below.

The results to date demonstrate that we are a well performing organisation. Note that fundraising levels tend to be variable, being subject to peaks and troughs. Employee survey results are quite static and so developing people is an important aspect of the Strategy.

Table 1: Strategic Indicators

Objective	Strategic Indicator	Context
Meeting our customers' needs	Increase: customer admissions	In 2017/18 measurable admissions were 3.9 million This is increasing from 2.3 million in 2012/13
	Increase: customer satisfaction level	In 2016 our 2 nd high level survey result was 89%. This is improving on 2012 when it was 86%
Ensuring our financial viability	Improve: the ratio of customer income to that secured from Falkirk Council	In 2017/18 our funding was 60% from Falkirk Council, 35% from customer income and the remainder from grants and fundraising. This is improving from 2012/13 when our funding was 69% from Falkirk Council, 26% from customer income and the remainder from grants and fundraising.
	Improve: the ratio of customer income to gross expenditure	In 2017/18 customer income was £6,735,000 and gross expenditure was £18,976,000 Income was nearly 1/3 of expenditure. This is improving from 2012/13 when income was just over 1/4 of expenditure.
	Increase: the level of income received from grants, fundraising and donations	In 2017/18 we secured £843,000 This is declining from 2012/13 when we secured £941,000.
Growing our leadership and community development capacity	Employee perception and engagement	In 2017 there was a 29% return rate to the 3 rd employee survey. This is declining from 2012 which was 38%. In 2017 69% of respondents enjoyed working for the Trust. This is an increase from 2012 which was 67%.
	Stakeholder perception	In 2015 we had a low response rate when we asked stakeholders what they thought of us, those that responded were positive. We will ask again in the life of this Strategy.
	Increase: number of local clubs and organisations we work with	In 2017/18 we worked with over 200 local clubs and organisations. This is increasing from 2012/13 when we worked with over 100
	Increase: number of community partnerships established (new indicator)	In 2017/18 we helped establish 1 community partnership to manage Woodlands Games Hall and established 2 community sports hubs (Camelon and Grangemouth)

OUR JOURNEY

Delivering the Strategy 2014-2019

All that we do ultimately contributes to delivering services in response to the themes of “Inspiring Active Lives” and we report against these themes in our Annual Reports which can all be found on www.falkirkcommunitytrust.org/about

In the Business Strategy 2014 - 2019 we set six quite focussed priorities with tasks, and delivery progress is summarised in the tables below. They show where we have achieved specific tasks, highlight where a task is to be developed further in the Strategy 2019-2024 or where we may have reprioritised efforts or need to increase focus.

Marketing we said we would:	Our progress
<ul style="list-style-type: none"> Become more efficient by making use of marketing budgets more flexibly across the Trust 	achieved
<ul style="list-style-type: none"> Make use of customer information, where it can be generated, to provide a stronger evidence base for decision making 	commenced
<ul style="list-style-type: none"> Implement thematic marketing plans around customer bases with a focus on families, older people and those with less means 	achieved continuing activity
<ul style="list-style-type: none"> Seek ways to better integrate our customer sales activity and increase cross selling, building this into our plans for events, programmes and venues 	good progress
<ul style="list-style-type: none"> Ensure that growing our brand awareness is something that everyone in the organisation can contribute to and become champions for the services that we deliver 	commenced will uplift focus
<ul style="list-style-type: none"> Develop our digital communications and engagement appropriate to a range of audiences 	achieved continuing development

Information and communications technology we said we would:	Our progress
<ul style="list-style-type: none"> Address the critical capacity of our Library Management System 	achieved
<ul style="list-style-type: none"> Enable customers to book online prioritising services such as theatre and cinema ticket sales and sport and fitness courses and classes 	achieved (by end 2018)
<ul style="list-style-type: none"> Ensure a priority for improvement is our electronic point of sales systems, which allow us to chart customer usage across our services 	good progress
<ul style="list-style-type: none"> Develop a clear understanding of our future needs and create a prioritised plan that allows us to improve our working culture, make best use of creativity and innovation, and manage information 	good progress
<ul style="list-style-type: none"> Allocate resource to drive our ICT improvements forward and give careful consideration to the implications of our plans on financial resources and systems support services 	achieved continuing development
<ul style="list-style-type: none"> Complete an ICT Strategy to plan and prioritise all of the above 	commenced

Venues and programmes we said we would:	Our progress
<ul style="list-style-type: none"> Be a key player at the Council’s Asset Management group and active in our advisory role 	achieved continuing development

<ul style="list-style-type: none"> Develop a fully costed and prioritised Asset Management Plan that will cover our venue leases 	good progress
<ul style="list-style-type: none"> Monitor and respond to trends and identify opportunities for new programmes and uses of venues where roi can be optimised 	good progress
<ul style="list-style-type: none"> Make sure we develop programmes that allow geographic access, create thematic content and encourage people to progress, maintaining a balance of both facility based and development activity and populist with more challenging content 	good progress
<ul style="list-style-type: none"> Take a lead role in co-ordinating programme provision with others, be willing to innovate more and introduce new content, taking risks where considered manageable 	good progress

People and the Organisation <i>we said we would:</i>	<i>Our progress</i>
<ul style="list-style-type: none"> Embed and grow the company culture, values and ethos 	achieved
<ul style="list-style-type: none"> Roll out employee development action that fully engages all employees and supports them to meet the Trust's objectives 	commenced
<ul style="list-style-type: none"> Implement performance management more robustly across the organisation 	commenced
<ul style="list-style-type: none"> Offer increased levels of volunteering to provide preparatory work experience for young people, to benefit those seeking to change employment prospects, and enhance older people's community contribution and wellbeing 	achieved continuing development
<ul style="list-style-type: none"> Ensure we have the appropriate mix and blend of effective and value for money support services to meet our business needs 	no progress

Planning Together <i>we said we would:</i>	<i>Our progress</i>
<ul style="list-style-type: none"> Seek to gain a better understanding of our social return on investment 	completed by others shifted focus to health & wellbeing
<ul style="list-style-type: none"> Engage with partners to share any available research that would help us better understand community needs and be open to joint commissioning of research 	good progress
<ul style="list-style-type: none"> Work with an increased range of local and national partners who ideally will describe us as excellent partners to work with 	good progress
<ul style="list-style-type: none"> Ensure a wide range of views and contributions are taken account of in the Delivery Plans to implement "Inspiring Active Lives" 	achieved
<ul style="list-style-type: none"> Build in accessible opportunities for engagement of communities and customers in our planning for improvement from the outset 	commenced
<ul style="list-style-type: none"> Grow our presence and influence within the community planning framework 	achieved

We are pleased with the progress that we've made but the second Business Strategy places a greater emphasis on upping the pace of change and transforming the organisation more fundamentally to better fit and respond to the world in which we operate now.

A new Business Approach

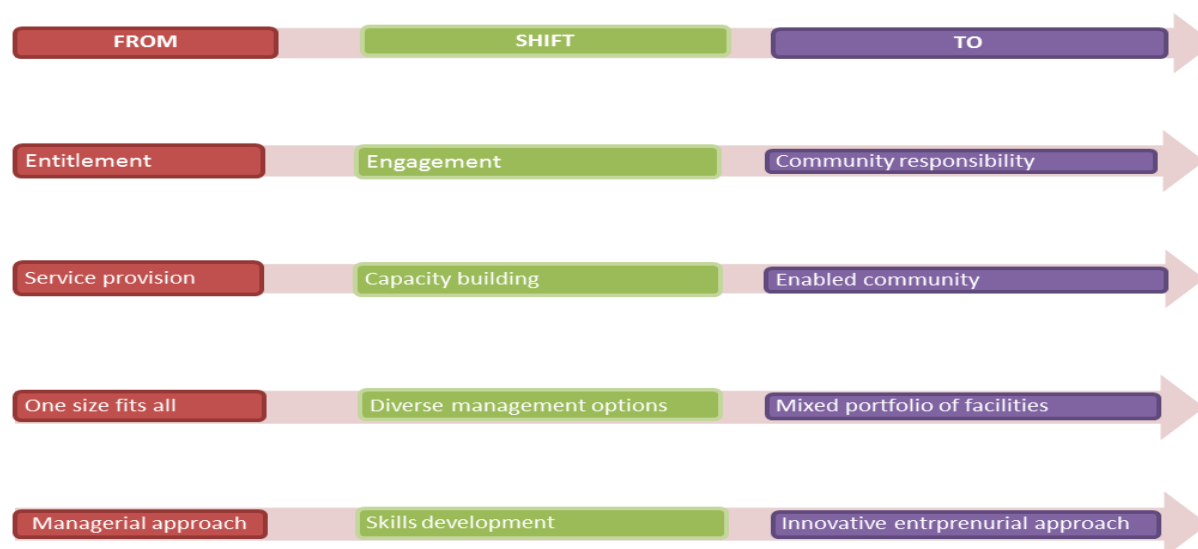
We and many other organisations that work within or on the fringes of the public sector are experiencing very challenging times. We are working in a world we cannot control, with funding we cannot guarantee and with constantly evolving technology in an ever more digitally driven community. Core funders, in our case Falkirk Council, are often beholden to Scottish and UK Governments for funding settlements and the public purse is very stretched to meet the demands of many competing voices.

So the picture is one of continued austerity, reduction in our core funding, a decline in asset condition and out of date technology. Despite this we have demonstrated growth in our customers and customer income and customer loyalty is strong and sustained.

Against the background described above, in 2016 we took action to look at ways we could adapt and transform – both the work we do and the way we work with others. We examined the prevalent context we were operating in and saw a system (internally and externally) that was not sufficiently innovative or flexible to be able to exploit opportunities emerging in this changing world. We looked forward at the future horizon and visualised what these opportunities could be and how we needed to transform in order to create new systems through new ways of working.

We were guided through this work using “Transformative Innovation” tools developed by the International Futures Forum (IFF). A Three Horizons Model was created and from it we developed and published our Business Plan Approach in 2017 (The Approach).

In The Approach we summarised the shifts that are required to transform as illustrated in the diagram below.



The two key strands for implementing The Approach are Community Engagement and Income Focus. These areas of focus came about following an in-depth review of facility performance and the role each facility played in the community. We concluded that there was potential for both greater community involvement and for securing untapped income growth. The alternative to this approach was to reduce the asset base through withdrawal.

We believe The Approach we identified is pragmatic. It spreads responsibility and involvement across a greater number of charitable and community organisations, allows the Trust as lead body on culture and sport to focus on developing core services and growing leadership and community development capacity. We also believe The Approach is not an ‘easier option’, it could be argued that it is more complex. What is of appeal is that it presents the most viable option for protecting key services for people in the Falkirk area.

We've made progress in both Income Focus and Community Engagement since we published The Approach and indeed when looking back over the life of our first Business Strategy we can identify that seeds of change were already emerging in 2014. We've captured the essence of this in the diagram on page 16.

What we've learned

Ten key learning points that have driven direction for the development of the Strategy 2019-2024 are set out below:

1. Time spent planning with partners has been invaluable but the success of this will be evidenced through joint work that addresses community needs;
2. That tough decisions require to be made on the future of built assets and all opportunities should be thoroughly assessed against the widest community need;
3. Good business ideas are abundant, getting them converted to reality must become much faster to deliver on business growth targets by focussing on fewer but more lucrative options;
4. Commercial acumen and sound investment decisions drive robust business cases and seeking external skills and advice is worthwhile;
5. Flexibility and creativity in new programme development has attracted increased participation but may not be reaching those who would benefit most;
6. Time and resource invested in new technology is set to bring business benefits and needs to be kept up to date to be easy for all to use and work to maximum capacity;
7. There is a widespread appetite for volunteering that provides a great foundation for community engagement;
8. Taking volunteering to the next level of involvement in facility management is a big ask but patience and good support levels help;
9. Learning through collaborating with community organisations is helping develop a wider perspective and build engagement skills of some staff but is patchy across the Trust;
10. Recognising and celebrating achievement must not be undervalued and is a great motivator for all.

FCT : Inspiring Active Lives



KEY: This diagram is created in the style of the SHINE project narrative to illustrate the progress over time in a number of key areas for Falkirk Community Trust – Business Approach, Community Engagement and Income Focus. The scale is illustrative, however the income and volunteer figures are actual

OUR PLANNING FRAMEWORK AT A GLANCE

Our 10 year area wide Strategy	“Inspiring Active Lives” A Culture and Sport Strategy for Falkirk” <i>A plan with four key themes for action across all culture and sport sectors that will be implemented through a series of partnership Delivery Plans led by the Trust</i>					
	Participation	Motivation	Venues	Partnership		
Our 5 year Business Strategy	Our aim is that by 2024: <i>Falkirk Community Trust will be operating from venues that people want to use, with a more responsive programme offering better quality for our customers. We will be a trusted and valued organisation, secure in our role as a leader for culture and sport and with diminishing reliance on Council funding; we will be more flexible, entrepreneurial and commercially minded. We will have created champions for culture and sport and have loyal volunteers and a workforce who motivate a huge cross section of the community to take part in culture and sport that improves their lives.</i>					
Our Objectives for 5 years	Meeting Our Customer ‘s Needs <i>People are at the heart of everything we do, be they customers or potential customers</i>	Ensuring Financial Viability <i>Being efficient and effective and operating with our means</i>	Growing our leadership and community development capacity <i>Some of our focus needs to move from managing to leading and facilitating</i>			
Our Priorities for 5 years	Planning & Working Together	Encouraging Health & Wellbeing	Raising Image and Profile	Generating Income	Creating Business Efficiency	Developing People
Our 5 Annual Business Action Plans						
	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	
Our Unit Action Plans and Business Strategies	<i>A suite of plans for individual business operating areas and cross cutting plans for Trading, Programmes & Events, Marketing and Helix are guided by the Business Strategy, Annual Business Action Plans, Marketing Strategy and Fundraising Strategy</i>					

Falkirk Community Trust gratefully acknowledges the support of Falkirk Council



Business Plan 2019 – 2020

Fees & Charges 2019/20

1. Introduction

- 1.1 Much work has been undertaken in preparation for the implementation of the Trust's fees and charges for 2019/20 and follows the Audit and Performance Sub Group's consideration of early proposals at their meeting on the 16th of August.

2. Background

- 2.1 A review of charges is undertaken each year and takes into account consultation with relevant groups of staff, reference to customer feedback and any relevant information from other comparable services, however there remains a focus on the generation of additional income.
- 2.2 The charges review process attempts to adhere to the previously adopted 'key principles' from November 2012 as shown below:
- FCT 'charges' should not be seen by potential customers as a 'barrier to their participation'.
 - Concessionary charges should ensure that those who can least afford to pay for our services are supported the most.
 - FCT charges should be easily accessible and simple to understand.
 - The timing of the introduction of any revised charge should consider the impact they will have on customers.
 - Charges can be flexible with the ability to offer promotional discounts at appropriate times to actively promote new services or boost falling attendances.
 - Charges will be levied which fully considers local competitors and neighbouring Trusts' and Local Authorities' charges.
 - Charges will enable improved levels of income generation, where market rates and the ability of our customers to pay, allow.
- 2.3 A key objective of ensuring that customers perceive the services being delivered as representing good 'value for money' remains in place.
- 2.4 To ensure the Trust supports those in the community with the greatest needs, the Trust continues to place a strong emphasis on ensuring that the concessionary charges set out within the Go Card scheme are at realistic and affordable levels.
- 2.5 This review is set against the Trust's 2018/19 performance, the ongoing reduction to the Trust's allocation of funding from the Council, the number of competitors in the marketplace, a desire from the Council to maintain our prices at relatively low levels and of course the current condition of Trust operated facilities.
- 2.6 The 'price point' for Trust services has proved to be a vital part of our marketing strategy and whilst work continues to ensure that prices are not a 'barrier to participation', the Trust continues to strive to increase the amount of income generated to reduce its reliance on Council support, through increased levels of income.

- 2.7 An early review of the Trust's charging proposals is normally considered by the Audit and Performance Sub Group at its August meeting, as part of the Trust's annual business planning process for approval by the Board at their meeting in November each year and for subsequent agreement by Falkirk Council.

3. Review Process

- 3.1 The Trust's Charges Working Group, which is made up of front line, supervisory and managerial staff, representing each of the Trust's key service areas, review the current charges in anticipation of implementing new charges in 2019/20.
- 3.2 The group referred to the adopted key principles throughout the review process and this year focussed on the following areas which they believed needed specific consideration:
- Appropriate inflationary increases being applied to charges, but only where it is felt appropriate to do so, to reduce the potential risk of a reduction in participation levels.
 - Health and Fitness charges, in relation to our need to remain competitive within the marketplace.
 - The introduction of new charges for the planned Mariner Softplay facility.
 - The ongoing review and need for flexibility in the community programme in outdoor activities to ensure its ongoing viability.
 - A review of the existing 'Go Card' concessionary categories and charges in relation to the anticipated changes as a result of the introduction of the U.K.'s national 'Universal Credit' scheme.
 - Potential income generating opportunities at the Hippodrome through the introduction of a loyalty scheme and a 'seat sponsorship' proposal.

4. General Proposals and Implications

4.1 Inflationary Increases

- 4.1.1 An average inflationary increase was previously added to the majority of standard Trust charges. However, in recent years, an increasing number of specific price changes have been made which either significantly reduced, or increased, charges where it was felt appropriate to do so, given market rates, comparison with others and the need to increase income levels. The Consumer Price Index and the Retail Price Index have both been referred to in previous reviews; however, very often a 1% increase proved impractical to implement as such an increase only represented an actual increase of 1p on a price of £1, which would prove difficult for both our customers and staff alike. Similarly, to increase some of our smaller charges by this amount would have little monetary effect. Once again the charges will be considered more from a marketing perspective, with the potential percentage change only then being considered against inflationary rates and comparable charges being charged by others.

4.2 Health and Fitness Charges (current annual income approx. £1.5m)

- 4.2.1 The revised Health and Fitness related charges are normally implemented in January of each year, to maximise the income generated from our annual January membership sales campaign. Our membership sales in 2018/19 have been the most successful since the Trust's inception however it is planned to focus on retaining existing members in 2019/20.

- 4.2.2 In the years of the Trust, peak membership charges have generally either been frozen, or in some years reduced, as part of a general drive to improve loyalty amongst existing members and to remain competitively priced when compared with others in the marketplace. The significant growth in income levels that has been achieved to date has reinforced the need to retain this tactic in 2019/20, therefore it is proposed that peak membership charges will be frozen in January 2019.
- 4.2.3 The number of off peak memberships has reduced over the years, given the closure of the price gap between peak and off peak prices and the drive to upsell to peak offers, to the extent that it is proposed that off peak memberships will no longer be offered. However the existing off peak membership categories will be retained for the benefit of existing customers. These will however reduce over a period of time. It is considered that at traditional off-peak times, members are able to access the facilities at quieter periods of use and therefore potentially experience a premium service that should not be available at a discounted price.
- 4.2.4 The very popular 'fitness class only' membership will be increased by £1 from £31 to £32 per month, simply due to its popularity and to encourage such members to upgrade to a full peak membership at £34 per month.
- 4.2.5 Trust memberships are able to be cancelled at any time, which is an attractive option to potential customers who often have to commit themselves to long periods of time with commercial operators. Normally all health and fitness operators charge a joining fee and the Trust is no different in that such a charge enables a full induction to the gym and the preparation of a programme card that supports the customer as they work towards their fitness goals. The Trust has not increased this particular charge in some years and now intend to increase this from £15 to £17.50, with Go Card scheme members being charged the new price of £12.50 from the current price of £10.
- 4.2.6 One of the Trust's most successful offers is the Active Forth programme that has seen an increase of approximately 53% in the last two years. As this programme is proving so popular for those who are in need of personal support to enable them to return to a position of improved health, the monthly memberships of £21 per month will be frozen. However to encourage additional membership purchases, the highly specialised single session prices will be increased.
- 4.2.7 The promotion of the health and fitness services should ensure that the Trust's unique selling points (USPs) of access to a number of gym facilities along with hundreds of fitness class options, free parking, experienced and qualified instructional staff in attendance at all times, no long term financial commitment style of membership and the additional benefits of our ancillary facilities such as unlimited casual swims and sauna access, is maximised.

4.3 Mariner Softplay Facility (estimated annual income approx. £200k)

- 4.3.1 The opening of the Mariner Softplay facility on the 21st of September this year, required the introduction of a new set of charges, which were significantly different from the charges for the much smaller softplay areas within the Mariner and Grangemouth Sports Complex, when compared with the larger and improved quality of the Mariner's 'Great Barrier Reef' facility. A review of other competitor charges was undertaken as part of the preparation of the project's Business Case, however this new product is viewed as a 'destination softplay' facility with charges having already been introduced that are comparable with the commercial sector, with examples of key charges being shown below:

	<u>Off Peak</u>	<u>Peak</u>
• Under 1 year of age	£1.00	£1.00
• Under 3 years of age	£3.50	£5.50
• 3-12 years of age	£5.00	£7.50
• Swim & Softplay	£7.30	£9.80

- 4.3.2 Monthly membership is encouraged with a monthly charge of £9.99 being introduced that enables unlimited access to the softplay facility. Similarly, 'Go Card' concessionary charges have also been introduced to support customers who may be in need of financial support. Close monitoring of attendances and income being generated is being undertaken to enable changes to be made quickly if thought appropriate.

4.4 Outdoor Activities Programme (current annual community income approx. £32k)

- 4.4.1 The evaluation of the 'true costs' associated with the provision of a community programme in outdoor activities has been undertaken, which has led to a review of the activity prices, to ensure that this aspect of the service 'breaks-even'. This has had the result of significant increases being applied to some of the activities, especially where those are being delivered at distant locations and those with higher staff to customer ratio requirements. Similarly, some activity sessions have been withdrawn to avoid any unbudgeted costs being incurred.

4.5 'Go Card' concessionary scheme in relation to UK Universal Credit Scheme

- 4.5.1 Trust staff continue to monitor the ongoing implementation of the Universal Credit (UC) scheme throughout the country to ensure that any amendments that need to be considered for the Trust's existing Go Card concessionary scheme can be introduced. However, the introduction of the UC scheme has been patchy and at this time has not impacted on our existing Go Card members. There has been discussion in relation to how UC benefit holders may be able to provide evidence that they are in receipt of UC benefits and this remains to be resolved, however this particular aspect will impact on many more organisations than the Trust. Potential issues will be considered as and when they arise.

4.6 Hippodrome Opportunities (current annual income approx. £153k)

- 4.6.1 The additional income generating opportunity, through the introduction of a loyalty scheme at the Hippodrome, has been considered. A 'More Hippodrome' loyalty scheme, (similar to that adopted by the Macrobert, GFT and Filmhouse Edinburgh), will ensure that those customers who purchase an annual More Hippodrome card will purchase each cinema screening ticket at a reduced cost, when compared to the new standard charges that more infrequent customers will pay. The More Hippodrome charges would reflect the current charges, (with an inflationary increase), with the standard charges being approximately £1 to £2 above the cardholders charges. A customer would only have to visit the Hippodrome once per month to 'break-even' and

in this respect it is believed that the More Hippodrome scheme will prove to be popular.

4.6.2 It is intended that a 'More Hippodrome' loyalty scheme be introduced from April 2019 that will enable us to:

- Reward customer loyalty.
- Secure advanced income through purchase of the More Hippodrome card.
- Allow for increases to Trust standard prices, relative to our competitors, without alienating loyal/regular customers, to generate increased levels of income.
- Establish an engagement platform with customers through which we can share customer benefits/offers throughout the year.

4.6.3 Benefits to customers would be as follows:

- Lower than standard charge tickets per screening.
- % discount at the Hippodrome café/ bar.
- Local business discounts to the benefit of both the Trust and local businesses.
- Recognition of their loyalty to the Hippodrome.
- A more financially sustainable Hippodrome.

5. Conclusions

5.1 This report only highlights the significant changes to Trust charges in 2019/20, as there are many other adjustments which will be made.

5.2 Once again there is a significant budgetary pressure on the Trust to generate additional income in 2019/20 and in this respect much work has been undertaken to determine the most appropriate activity charge, with the opportunity being taken to maximise income from those areas that are valued by existing customers.

5.3 It is expected that the actions proposed in this annual review of fees and charges will deliver additional income in 2019/20, assuming participation levels are retained at existing levels. However, such additional income has not been assumed within the Business Plan report, as it is intended that such income will help reduce any existing gaps between actual income generated and budgeted income projected.



Business Plan 2019 – 2020

Capital Programme 2019-20

1. Introduction

- 1.1 The Council has allocated £522k of funding to the Trust for 2019/20 from its General Capital Programme, whilst referring to the need for projects to acknowledge the Council's 'Council of the Future Framework' and the Council's strategic priorities.
- 1.2 The Trust's Capital Programme consists of projects that result in one or more of the following outcomes and this approach has been maintained in the 2019/20 process:
- Resolution of appropriate health and safety related matters
 - Ensure facilities or services continue to operate
 - Retention of existing levels of usage and/or income.

It is also intended that the delivery of projects that meet the aforementioned criteria would also improve the customers' experience and in the attraction of additional income.

2. Capital Programme Allocation

- 2.1 The Council's process required the Trust to submit individual capital programme 'bid applications' and these were submitted by the deadline of the 13th of July 2018 as described below:

<u>Facility/Service</u>	<u>Item</u>	<u>Costs</u>
G/mth SC	Fire Alarm	£30k
Muiravonside	Upgrade sentinel taps and lighting following EH report	£12k
G/mth TH	Installation of fire stop ceiling under the stage	£ 7k
G/mth SC	Repairs to roof sections showing water ingress	£98k
FTH	Exterior paving replacement	£15k
G/mth TH	Gutter and rhone repairs and replacement	£ 5k
G/mth TH	Toilets (Abdeil) refurbishment to repair water damage	£ 5k
G/mth TH	Upgrade of kitchen extractors	£ 2k
Larbert Lib	Replacement CCTV	£ 6k
G/mth Stad	Replacement CCTV	£ 5k
Polmont SC	Squash court repairs & refurbishment	£ 7k
Falkirk Lib	Modernise Junior section to accommodate colocation	£40k
Falkirk Lb	Create a flexible events area to accommodate colocation	£ 8k
Carron Gymnastics	Upgrade reception & furniture for GP room	£10k

G/mth Stad	Wheeled cover for pole vault equipment	£12k
Hippodrome	Additional funds for new catering and reception layout	£50k
G/mth SC	Installation of ceiling mounted basketball backboards	£10k
G/mth SC	Resurface and reline car park	£20k
Helix	Provision of outdoor catering facility	£50k
Callendar House	Improvements to signage/car park to maintain 5 stars	£50k
G/mth TH	Replacement lights in main hall, bar and foyer	£30k
Marketing	Provision of large scale external banners/signs	£50k
<u>TOTAL</u>		<u>£522k</u>

2.2 This total allocation has previously been approved by Falkirk Council as part of their three year programme; however, it is left to the Trust to confirm its intentions as part of its annual Business Plan and the list shown in 2.1 forms part of the Trust's plans that help achieve the three objectives shown in 1.2.

2.4 However, in recognition of the relatively poor condition of many Trust operated facilities, eleven additional bids have been submitted to the Council at a total cost of £1.997m, to reflect the estimated costs of the maintenance backlog, to help return the facilities to an appropriate condition as shown below:

<u>Facility/Service</u>	<u>Item</u>	<u>Costs</u>
Falkirk Town Hall	Replace plant and associated infrastructure items	£742k
Bo'ness RC	Replace mechanical and electrical plant	£300k
G/mouth Museum store	Refurbish roof, windows, doors and lighting	£145k
Bo'ness Town Hall	Refurbishment of windows, toilets, lighting etc	£61k
Callendar House	Upgrade heating plant	£50k
Falkirk Library	Refurbishment of rooflights, stonework and toilets	£36k
G/mouth Town Hall	Refurbishment of toilets	£40k
Inchyra Pavilion	Replace areas of roof	£20k
Muiravonside CP	Replace fascias, slating and stonework to farm buildings	£38k
Polmonthill Ski Slope	Regrade and replace matting to slopes	£130k
Bo'ness RC	Resurface and reline car park	£85k
Hallglen Sports Hall	Replace heating and ventilation and refelt areas of roof	<u>£350k</u>
		<u>£1.997m</u>

3. Conclusions

- 3.1 Regular monitoring of the progress being made with the Capital Programme projects occurs both internally and with Council colleagues, on whom the Trust depend for many of the projects' completion.
- 3.2 Although actions are being taken to progress each of the 2018/19 items, these must remain flexible, as often in the past facility breakdown and plant and machinery failures occur unexpectedly, given the relatively poor condition of the portfolio of facilities currently operated by the Trust.
- 3.3 The Trust remains concerned about the condition of many of the Council's key facilities, which are operated by the Trust, given the scale of the backlog of maintenance items and the annual average investment of only circa £522k from the Council's Capital Programme to help support the ongoing operation of many sites in the short to medium term period. Recent cognisance has been taken of the future implications of such deterioration, with senior Trust staff currently supporting Council colleagues to ensure that relevant asset management performance indicators are utilised and considered when future capital programme allocations are being prepared.
- 3.4 The Trust operated facilities are being considered as part of the Council's strategic property review, which is currently exploring how best the Council should manage its assets within the context of their need to reduce facility costs. A member/officer working group oversees the Council's strategic property review and senior Trust staff will continue to provide all necessary information requested and provide appropriate advice on all culture and sport matters in this respect.



Enquiries to: Patricia Cassidy
Date: 21 November 2018
Email: patricia.cassidy@falkirk.gov.uk

Mr Kenneth Lawrie
Chief Executive Officer
Falkirk Council
Municipal Buildings
West Bridge Street
Falkirk
FK1 5RS

Dear Kenneth

Integration Joint Board (IJB) Business Plan 2019/20

Please find attached the IJB's Draft Business Plan for financial year 2019/20 which was approved for submission to the Council, by the IJB at its meeting of 21 November 2018.

The Business Plan sets out the aspirations for Adult Social Work over the next five years. The Plan has been developed to address the significant demographic pressures which Falkirk IJB is expected to face in that time period.

The IJB recognises that a full Business Plan, covering all partners, is required. This work is ongoing and reflecting the evolving nature of the Partnership, it is anticipated that more holistic approach will be taken in future years.

At the meeting of the IJB, a number of issues or concerns were raised which we would draw your attention to:

1. This Business Plan sets out what £4m of savings would look like for 2019/20. This is on the basis of a request for £3.3m of savings from Falkirk Council, together with the replacement of £0.7m of spend that was covered from reserves in 2018/19.
2. £1.8m of the savings proposed are rated either amber or red for deliverability at this stage. This reflects the significant work that is involved in preparing the infrastructure to deliver these savings.
3. The Business Plan sets out the direction of travel for Adult Social Work services over the next 5 years. As noted above, this will help to address the anticipated demographic pressures and ensure services are sustainable. Regardless of the financial settlement, these changes will be necessary.





4. There is flexibility in the pace of savings delivery. At this point the financial settlements to the IJB remain uncertain and any changes will have implications for savings delivery. If appropriate, savings could be reprofiled to ensure a more manageable, systematic delivery, allowing full consultation and improved mitigation of impact where possible.
5. Finally, the IJB noted concern over the capacity of officers to deliver such a significant change programme in a short period of time. Further work will be required to confirm how such a programme of reform can be resourced.

We trust that this letter adds some further context to the business case document approved by the IJB. Clearly, given the level of uncertainty around the Draft Scottish Budget there will be a need for officers across the partnership to continue to work closely to take account of implications from the budget when it is announced.

Meantime, if there are any other questions or information requirements that would help the council considerations please let us know.

Yours sincerely,

.....
Patricia Cassidy
Chief Officer
Falkirk Health & Social Care Partnership

.....
Julia Swan
Chair of Falkirk IJB



Title/Subject:	Falkirk Integration Joint Board Business Plan 2019/2020
Meeting:	Falkirk Council
Date:	5 December 2018
Submitted By:	Chief Officer
Action:	For Decision

1. INTRODUCTION

- 1.1 The purpose of this report is to present the business case for the Falkirk Integration Joint Board for 2019/20. The business case focusses on the adult social care arm of the budget. The proposals for NHS elements of the budget are not yet developed. If approved, this business case will be submitted to Falkirk Council to consider as part of their budget setting process. The process for submission to the NHS Board is still to be agreed.
- 1.2 This report sets out the key activities which will need to be undertaken within Adult Social Care if the service is to achieve the necessary savings required by Falkirk Council and cope with the projected increase in demand. However, the Partnership recognises that the Falkirk IJB remains an evolving organisation. As the IJB and the Partnership evolves, it will be necessary to revisit the business plan, ensuring it covers all the services that the IJB has planning responsibility for. It will only be possible to recognise the benefits of integration if such an approach is taken.
- 1.3 Work is underway within the NHS Board to look at the financial outlook for NHS Forth Valley over the next three years. Updates on this work will be provided to future meetings of the IJB.

2. RECOMMENDATIONS

The IJB is asked to:

- 2.1. approve the draft programme of change that is set out in section 9 of this report.
- 2.2. approve the draft programme of savings options set out in Appendix 1 of the Business Plan, noting that further detail will be brought to future meetings of the IJB.
- 2.3. note that both draft programmes will require additional staff capacity to deliver the transformation in adult services and funding for this is being explored.
- 2.4. approve the Business Plan for submission to Falkirk Council in December as part of their budget setting process.

- 2.5. Note that a verbal update on the outcome of Falkirk Council's consideration of the business plan will be presented to the next meeting of the IJB.

3. BACKGROUND

- 3.1. The Integration Scheme of the Falkirk IJB sets out how Falkirk Council and NHS Forth Valley will work together to integrate services. The scheme has a Finance section which outlines the mechanism for agreeing the payments from both partners to the IJB. Section 8.3 of the scheme covers the requirement for a business case to be presented by the IJB to the partners as part of the negotiation process.
- 3.2. The business case is based on the information available at the time of writing and can be affected by National Government budget decisions. In previous years the Scottish Government has either put restrictions on Local Authorities and NHS Board in terms of the reduction they could make to payments passed to the IJB or has provided additional grant funding to the partners at a late stage in the budget settlement negotiations. At this stage it is not known if restrictions will be in place for 2019/20 and beyond, or if any specific funding will be forthcoming. This information will not be known until after the budget settlement in mid December 2018.
- 3.3. The Integrated Resources Advisory Group (IRAG) produced Finance Guidance which set out in more detail the recommended contents of the business case, highlighting that the business case for the IJB should be based on the Strategic Plan.

4. FALKIRK COUNCIL FUNDING PROPOSAL

- 4.1. Falkirk Council have set out an indicative funding settlement for Falkirk IJB for the next 5 years. A summary of the position is set out in the table below:

	2019/ 2020 £m	2020/ 2021 £m	2021/ 2022 £m	2022/ 2023 £m	2023/ 2024 £m	Total £m
Anticipated Pressures	3.587	4.087	4.818	4.882	2.567	19.941
Savings Required	3.316	2.171	2.171	2.171	2.171	12.000
2018/19 Use of Reserves	0.700	-	-	-	-	0.700
Total Savings Required	4.016	2.171	2.171	2.171	2.171	12.700
Savings as a % age of Funding Settlement	6.64%	3.39%	3.19%	2.79%	2.79%	3.50%
Net Increase/(Reduction) in Budget	(0.429)	1.916	2.647	2.711	0.396	7.241
Assumed Additional Grant Funding from Scottish Government	1.666	2.003	2.846	3.004	1.000	10.519

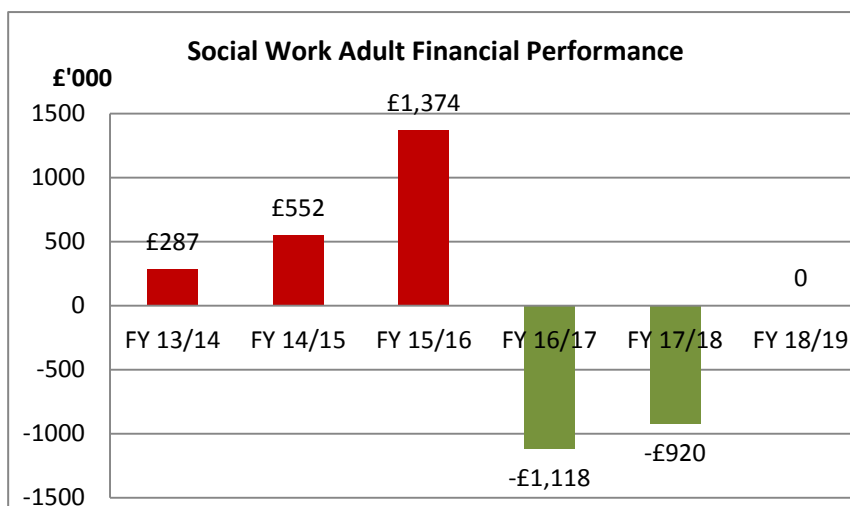
- 4.2. In summary, over the next five years it is anticipated that the additional cost of adult social care for factors like pay inflation, external provider contract uplifts etc will be c£20m. However, it is anticipated that the Scottish Government will provide additional funding of c£10.5m over the next five years for adult social care. This would leave a balance of £9.5m to be met from savings. However, the Council are projecting savings of £12.7m for the Partnership.
- 4.3. The average reduction in funding over the five year period is 3.5%. Falkirk Council anticipates a grant reduction of c1.5% over the next five years. The disproportionate savings requirement on adult social care in part reflects the prioritisation of Children's Services by the Scottish Government. The Scottish Government published their Medium Term Financial Framework, setting out six priority areas. Adult Social Care is not one of the priority areas.
- 4.4. The Joint Strategic Needs Assessment (JSNA) for the Falkirk HSCP is in the process of being refreshed as part of the development of the Strategic Plan for 2019-22.
- 4.5. The projections for an aging population and workforce have been reported nationally and locally and are well understood. The projected increase for older adults, over the life of this business plan, is shown in the table below:

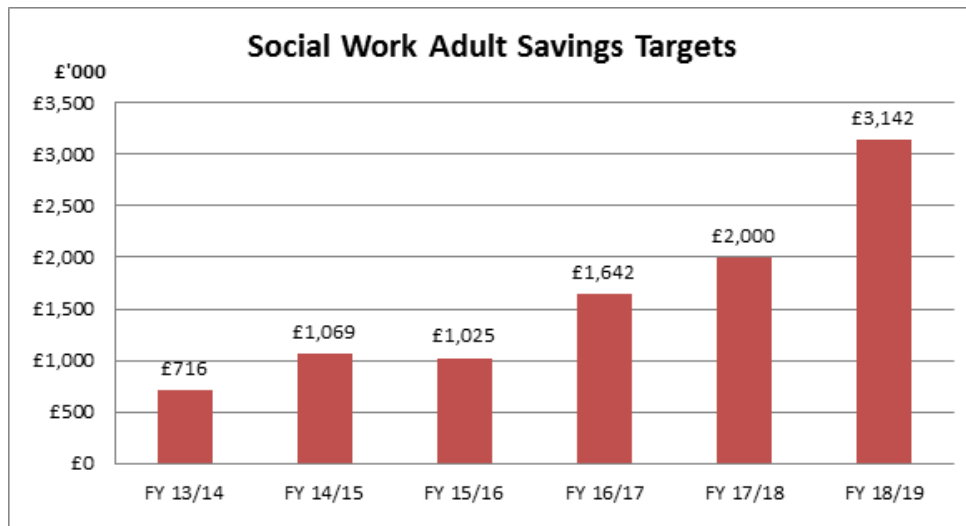
Age Band	%age Increase by 2024
65-74	4.00%
75-84	20.42%
85+	33.97%
Total 65+	12.79%

- 4.6. The increase in the older adult population will undoubtedly bring an increase in those living with more complex and/or multiple conditions. This will undoubtedly mean an increase in demand for services. It is imperative that the Partnership redesigns services to ensure resources can be focussed on those most in need.

5. FINANCIAL PERFORMANCE TO DATE

- 5.1. Adult Social Care has traditionally been an area which experiences spending pressures, in part due to the demand led nature of the service and the complex care packages that can be required. The charts below show the financial performance of adult social work services over the last five years.





- 5.2. From 2013/14 until 2015/16 significant financial overspends were experienced and the service was faced with a huge challenge in turning this around. However, in 2016/17 and 2017/18, as the requirement for savings grew, underspends were achieved by the service. This reflected in part early realisation of savings flowing from changes in service provision as part of the HSCP Change Programme.
- 5.3. The financial turnaround has been achieved during a time of sustained pressure on the service, with ongoing change and transformation becoming the norm. It is a testament to the commitment of the staff within the service that this financial position has been achieved. The impact of the level of transformation required on staff must be recognised and factored into future plans.

6. OPERATIONAL PERFORMANCE

- 6.1. The financial outturn and the savings noted in section 5 have been achieved during a period of constant flux for the service. This includes the inception of the Health and Social Care Partnership itself, turnover of staff at a senior level, as well as the development of localities. Nonetheless, the service has delivered key elements of the Strategic Plan to build the foundations to support more people to live at home, including:

- Review of eligibility criteria / framework
- Day services review for younger adults
- Redesign of service model of the Caledonia service for people with mental health needs
- Development of Summerford as an Intermediate Care Unit
- Development of the Reablement Pathway Team
- Introduction of Living Well Falkirk
- Full scale redesign and delivery of the home care tender
- Procurement of a new Social Work Information System

- Discharge of long stay residents from Lochview being supported to live in the community
 - Implementation of the Carers Act
- 6.2. The Partnership received an additional £0.325 of funding from Falkirk Council to support the initial change programme. To continue the work further support will be required as highlighted in section 8 of this report. Consideration will be given to how this is funded with options including a bid to the Council's Change Fund and bids for Partnership Funding.

7. DEVELOPMENT OF A BUSINESS PLAN

- 7.1. Staff within adult social care have been working to develop a five year business plan.
- 7.2. Each service manager was asked to submit information on their service area, including the following:
- Their aspirations for their service area
 - The alignment of these aspirations to the HSCP local outcomes
 - The key milestones needed to meet the aspirations
 - The support required to achieve these aspirations
 - The benefits that will flow
 - How we will be able to measure the success
- 7.3. A planning day was subsequently held in which the various plans and aspirations were discussed with service managers with a view to developing a realistic and achievable five year plan.
- 7.4. It was noted that the Strategic Plan for the IJB is under review, albeit the vision and the outcomes are expected to remain broadly similar. Broad priorities that have emerged during the review of the Strategic Plan include:
- Technology enabled care
 - Carers support
 - Mental health
 - Substance misuse
 - Poverty, related to Health and social inequalities
 - Development of a locality based model for service delivery
 - Workforce
 - Communication

- 7.5. Managers were asked to consider their plans in the context of the potential revisions to the Strategic Plan along with the emerging priorities identified.
- 7.6. The focus of the Partnership has to be transformation which will mitigate demand, reduce costs, or generate additional income. It was accepted that this is the only way that the service will be able to meet wider expectations of service delivery.
- 7.7. Fundamentally the work of Service Managers had to answer the question – “What would savings of £12.7m look like for adult social care?” The starting point is to link the changes to the objectives set out in the HSCP’s Strategic Plan, seeking to deliver those objectives at lower cost than is incurred in historical models of service delivery. An illustration which by now is familiar and acknowledged is that the Strategic Plan outcome of self management can be achieved by helping people to regain or learn skills to do things for themselves [reablement] rather than have staff attend their home to do things for them, at greater long term cost. There is, however a question mark around the scale of savings required, and whether £12.7m of savings are achievable without negatively impacting on delivery of the Strategic Plan outcomes. This is a risk which can be mitigated if not removed through a clear and detailed plan of action.

8. 5 YEAR BUSINESS PLAN

- 8.1. The aim of the five year business plan is to clearly set out the aspirations of the Adult Social Work Service and to set out how these aspirations can be achieved. The Partnership recognises that such a large programme of change cannot and should not be rushed but must be delivered in a realistic, albeit challenging, timeframe.
- 8.2. The Service is currently preparing a work plan to accompany future iterations of the business plan. This work plan will set out in tabular form the projects required to deliver the proposed transformation, along with an indicative timeframe for delivery. It will also clearly set out the linkages with the planned work and the updated Strategic Plan outcomes. The work plan will then be the basis for more detailed project plans. Planning support will be essential in ensuring these changes happen.
- 8.3. It should be stressed that officers are still working up these proposals and so some of the options included in this section as examples may not be taken forward. However, the IJB will be kept up to date with proposals.
- 8.4. In addition to the service area changes outlined in this business plan, several important areas of activity have been identified as requiring major attention to ensure continuing strategic fit across the 5 year lifetime of this business plan. These include:

- accelerating the pace of change with implementation of the Public Bodies [Joint Working] [Scotland] Act 2014, through development of a health and social care integrated locality model of service delivery
- replacing a two decade old information software, SWIS, by a newly commissioned information management system, Liquidlogic
- implementing new policy and practice directions in a range of service areas such as dementia, mental health care and support for carers
- delivering Capital Programme projects which align policy change with targeted investment in a high quality environment for service delivery
- reviewing the approach to commissioning and procurement, including core capabilities for responding to market failure, eg unplanned care home closures
- engaging with key stakeholders, not least our own staff, and critically with the public, present and future service users and carers, as a foundation for securing consensus around the changes required in response to demographic growth.

- 8.5. Work is also underway to consider the support that will be required in order to deliver the projects outlined above. The scale of the transformation required across Adult Social Care is significant and will be resource intensive. Failure to adequately resource the work may lead to non-delivery of the anticipated benefits.
- 8.6. The Adult Social Work Service has a workforce of almost 1,000 people, approximately 750 Full Time Equivalents, which is managed and led by 6 Service Managers and a single Head of Service. Shared support is provided for functions including HR, finance, workforce development, commissioning, information and performance management.
- 8.7. The success of the change programme hinges upon there being sufficient management capacity. The experience of the Service in optimising efficiency to date suggests that we move in to the present 5 year business planning programme from a position of little or no unallocated capacity remaining within the management structure. This is a position we require to address as a matter of some urgency.
- 8.8. Moving forward, improvement will be necessary in key aspects of planning and information management, quality assurance, key process improvement and public engagement and communication. The infrastructure to deliver all of this is not currently in place. Success will only be realised if a programme to address this is put in place.

9. SERVICE CHANGE & TRANSFORMATION

- 9.1. This section of the report sets out the aspirations for each of the key adult social work service areas, along with some options for changes in service delivery.

9.2. Assessment & Care Planning

Assessment and Care Planning is a critical function in determining how the service meets individual need and allocates resource. As such this will continue to be a key focus for ongoing transformation in the Partnership.

- 9.2.1. The Partnership recognises that care is provided to a large proportion of the Falkirk population. The Social Care Survey for 2017 indicated that 61.9 per 1,000 of those over 65 years old are in receipt of home care. This is well above the Scottish average of 48.9. The current projections for the population of Falkirk show an expected rise in the population of those over 65 years old of 10% by 2024.
- 9.2.2. In addition, the Social Care Survey suggested that in the Falkirk area there is a higher proportion of 18-64 year olds receiving care than would be expected on the basis of benchmarking with comparators across Scotland. That we provide support to more people, on a per capita adjusted basis, than elsewhere is not a badge of success. By enabling more people to live their lives independently of services, through a reablement ethos, we support those people to achieve better outcomes related to feeling independent and in control of their own lives. We also free up costly service inputs, such as hours of home care support, to enable people who have high levels of care need to continue to live in their own homes rather than be compelled to move to institutional care settings.
- 9.2.3. The above data must be caveated in that the service has introduced changes over the last two years which through time will bring Falkirk's performance into closer alignment with experience across Scotland, there being an ambition to reach a best performing position. However, failure to deliver that change, i.e. continuing to provide the services as we currently do, to a cohort of service users who we know from benchmarking can be supported to be independent of services, will quickly lead to our model becoming over-burdened and unsustainable in the face of demographic change.
- 9.2.4. Following on from the work already undertaken, it is recognised that a whole system review of assessment and planning is required. The planned workstreams should result in better outcomes for those assessed by the service and at the same time helping to reduce demand for services. This approach will be critical if the Partnership is to address the pressures on services and the budget. However, it must be recognised that along with the procedural changes required, there is a significant cultural change required. As a service, there needs to be a greater shift away from providing people with as much support as possible, to providing people with the right support that will help them to meet their outcomes. It is recognised that over-provision of care can de-skill people and create dependencies that do not necessarily take into account an individual's desired outcomes. Such a significant cultural shift is underway but can take time.

9.2.5. There are a number of strands to the work required in this area, outlined in the table below:

Embed the new eligibility criteria	During 2016/17 the Service implemented a new framework of eligibility criteria. The step change was away from prescriptive provision of services, towards a focus on the person's outcomes, taking account of their strengths and natural supports. This is a cultural change which can only be embedded through intensive effort and attention over time.
Continued roll out of Self Directed Support	This is a national programme of change, founded upon giving people control over their own budget for care and support, with work underway locally to design an 'Individual Budget Calculator.'
Embed reablement into the assessment process	The key principle of reablement is that people should be supported to gain or regain independence or as much independence as possible. It follows that it will not be appropriate to allocate a budget for care and support under SDS, unless reablement has been provided.
Continued roll out of outcomes focussed reviews	Effective reviewing practice is integral to the assessment and planning process. The Service has identified reviewing practice as a key improvement opportunity.
Adopting a process of financial assessment as part of the assessment process	Financial security is critical to the achievement of personal outcomes. The Service has identified a focus on income maximisation, as an integral part of assessment and planning, as an area of improvement opportunity. This will enable a more robust contributions policy to be adopted. The Work can link to Falkirk Council's entitlement calculator which helps people work out what benefits can be claimed.
Supporting self assessment and direct access to low level support and solutions.	Living Well Falkirk offers people pathways to managing their own support for low level interventions, removing the need for some assessment and planning work, thereby enabling more efficient use of the resource.

9.3. **Review of Care Packages**

The review of care packages forms part of the workload of the Assessment and Care Planning teams. However, it has been highlighted separately in the business plan as it forms such a critical part of the strategy to manage demand and budget pressures. The full implementation of a reablement ethos will in time change how new referrals are supported. It remains the case that the majority of existing service provision was commenced before reablement was available. There is a major challenge in reviewing over provision of service which has been in place in some cases over many years.

- 9.3.1. In the past, savings have been generated by focussing on the review of high cost care packages. To date, such reviews have generated in excess of £1m in savings. Whilst such exercises have been highly effective, it is essential that a strategy for tackling reviews on an ongoing basis is developed and appropriate processes embedded in the service. There is no principled case for restricting the application of reviewing best practice to high cost care packages alone. The next step in this programme will involve embedding outcomes based review, rooted in reablement, across all service provision.
- 9.3.2. An appropriate strategy to tackle reviews should result in better outcomes for service users who should see an improvement in their capacity, as well as reduced spend for the service. Anecdotally the Partnership has been approached by some providers who recognise that they will struggle to meet new demand without appropriate reviews of existing care packages. It is recognised that some care packages may increase whilst some efficiencies may be absorbed by new demand.
- 9.3.3. The review strategy will consider both the short term imperative of targeting our resources effectively as well as the wider need to ensure the review process is appropriately embedded into the work of the service and is sustainable.

9.4. **Residential Care**

In reviewing our provision of residential care, a number of factors were noted:

- Our in house residential care is relatively expensive when compared to private sector providers.
 - The average age for admission to a care home is lower for Falkirk than for the Scotland average and Falkirk is the only area in Scotland where average age on admission fell by comparison with the position 10 years.
 - In 2017, Falkirk had a higher percentage of residents between the ages of 18-64 (12%) than Scotland (10%)
 - Of the 29 local authorities where data was available, Falkirk had the 10th highest percentage of 18-64 year old long stay residents in 2017.
 - A number of residential care packages are placements outwith the area.
- 9.4.1. As a Partnership we have recognised that residential care does not always provide the best outcomes for our service users and their families, particularly for younger residents, and those placed outwith the area. The Scottish Government will imminently publish a report, provisionally titled 'Coming Home' which will set a national policy imperative to support people with learning disabilities to live within their own communities rather than in out of area placements. While the HSCP has been successful in supporting several people who were delayed for long periods of time in their discharge from Lochview Hospital, there are a significant number of other service users who are supported in out of area placements and who can be supported in 'coming home.' Progress on Transitions planning will have a positive impact on the avoidance of new out of area placements

- 9.4.2. The alignment of practice with the Strategic Plan outcomes of service user experience and community based support will be expected to change current expenditure priorities.
- 9.4.3. Moving forward, the aim is for high quality residential care to be provided when all other potential care plans have been explored. Residential care will effectively become a last resort and will be available within the area where possible. Supported care within the community will be available, in collaboration with our partners, including Falkirk Housing Services.
- 9.4.4. Key milestones in achieving this aspiration are:
- Further training and development for our assessment and care planning team, embedding the reablement approach and outcomes focussed assessment.
 - Review of in house residential care provision with a view to delivery of a redesign and rationalisation programme. This will recognise the shift towards supporting service users, who do not need nursing care, to remain at home.
 - Review of out of area placements with the potential to relocate back to the Falkirk area with more suitable arrangements.
 - Complete action planning around in house home care, significantly increasing the flexibility and responsiveness of the service so as to prevent or delay admission to care home.
 - Embed the ethos of Home First in hospital settings, recognising the current strong correlation between admission to hospital and admission onward to care home.
- 9.4.5. Projected spend on residential care for 2018/19 is £42.1m. Given this scale of spend as a proportion of total Social Work Adult Services budget it is imperative that a significant contribution to the 2019/20 saving comes from this area. The aspiration must be to achieve a baseline saving of £1m in this area of spend, with a contribution to the saving coming from both in house and external home care. Further significant reduction in spend should be achieved in the remaining years of the 5 year business case.

9.5. **Home Care**

In 2018 the average number of weekly home care hours provided by Falkirk is c14,370. In 2015 the equivalent figure was 13,510, reflecting an increase of 6.4% over the last three years. The Partnership needs to understand the reasons behind this increase and the work planned in Assessment and Care Planning will help the Partnership to understand the cost drivers and how they can be mitigated.

- 9.5.1. The way that home care is provided has been changing over the three years also. In 2015 the split of hours of internal versus external provision was 50:50. In 2018 this moved to 35:65. The number of hours being provided externally is

steadily increasing, with the costs in part being offset by a reduction in internal home care.

- 9.5.2. The efficiency and effectiveness of the internal home care provision has been under review during 2018/19. The service has struggled with high sickness absence levels, currently running at around 9.5%. In addition, a number of changes have been introduced within the service to improve flexibility and responsiveness. These changes will take some time to bed in. Areas of progress within the home care service include:
- Move to a single grade of carer to improve service flexibility and responsiveness
 - Working in localities with a schedule co-ordinator based in each locality
 - Review of the medications administration policy to improve service flexibility and responsiveness
 - Amendments to shift patterns – moving away from a historic arrangement of using bands of availability
 - Encourage use of pooled cars or personal cars to improve productivity
 - Maximising the use of the CM2000 system to provide robust management information
- 9.5.3. A separate workstream has been ongoing as part of the Priority Setting Framework project, run in conjunction with the Scottish Government and Glasgow Caledonian University. This project has focussed on home care with a view to considering how best to focus the work of the in-house service and how best to procure care externally.
- 9.5.4. Data shows that externally provided home care is, on average, cheaper than that provided internally. The focus of the internal service will be reviewed to ensure continued strategic fit. This approach is likely to result in significant savings for the Partnership albeit an options appraisal exercise will be necessary. Partnership areas that have undertaken a similar piece of work have taken c2 years to deliver the project.
- 9.5.5. The IJB received a number of reports on the new home care tender, delivered for 2018/19. These reports included information on the cost of providing continuity of care for those service users in receipt of services from poorer ranking providers. There could be efficiencies by reviewing the continuity of care policy through review and planning with service users. Reducing packages to three poorer ranking providers could, for example, produce savings of £0.150m.
- 9.5.6. A review of the MECS service and the out of hours service could be undertaken, exploring the opportunities presented by integration for more efficient joining working with out of hours services for health care. A single out of hours service has the potential to recognise efficiencies, providing more flexibility and holistic care.

9.5.7. Work is required to look at the provision of housing with care across the area. There is an established and highly valued model of housing with care in, for example, the Dorrator court complex. Enhancing such provision considering equal access across the Falkirk area will help the IJB to keep people out of residential care where appropriate and could be delivered in collaboration with our partners in Housing Services and Registered Social Landlords.

9.5.8. A more detailed proposal setting out the way forward for home care will be brought to a future meeting of the IJB.

9.6. **Day Care**

The IJB has received regular reports on the review of day services for younger people. This review encompassed a shift from building based day care to more inclusive, community based day care. This change was supported by extensive consultation in order to reflect the views of service users, their carers and younger people who were potential future users of the service. The change programme accommodated both the need for reassurance that change would retain what existing service users liked about the previous service model and the aspirations of those who wished to be involved in more day to day, age appropriate activities in their communities, rather than attend a day centre. .

9.6.1. Whilst the driver for the day service review was not financial, the review has placed the service on a more sustainable financial footing, giving a stronger fit with the expectation of more service users seeking to manage their own budget. The programme is supported by use of ringfenced funding which allowed the commissioning of services such as Dates n Mates and Neighbourhood Networks. The day service for younger adults was excluded from a requirement of budget savings in 2018/19 in order to support the implementation of the change programme. In 2019/20 it will not be possible to continue this exclusion of day services from a contribution to savings.

9.6.2. During 2019/20 an evaluation of the work done to date on the review of day services for younger people will be undertaken, looking at service user experience to better understand the impact of the change.

9.6.3. For the 2018/19 budget a review of older adults day services was agreed. The financial report presented to the IJB in October 2018 noted that savings were not expected to be achieved in 2018/19. However, the day services review is underway. This review is being led jointly by Service Managers in Falkirk Council and NHS Forth Valley and is expected to take c18 months.

9.6.4. In the meantime, there are some efficiency savings which could be realised. The Partnership currently procures day care, on a block basis, from a number of external providers and in some cases we recognise that these services are under utilised. Through procurement discussions with these providers, it is anticipated that significant savings could be identified.

9.7. **Alcohol and Drug Partnership Services**

Falkirk Alcohol and Drug Partnership (ADP) will carry out a review of service provision in the area, including:

- What is spent on ADP services?
- What services are being delivered?
- What are these services achieving?
- Are there gaps in service provision?
- How do we prioritise spend in this area?

9.7.1. The Partnership spends a substantial amount on residential care and day care services for those with alcohol and drug issues. The review will consider whether this approach is meeting the outcomes of the service users and providing Best Value for the Partnership.

9.7.2. A task force has been established to develop a partnership response to the very concerning current increase in the incidence of drug related deaths. It can also be anticipated that this work will lead to a review of investment priorities.

9.7.3. To support this work, a revised governance process for the Falkirk ADP and the link with the Falkirk IJB is being developed. This will ensure that the ADP review process includes appropriate oversight, allowing the IJB to fulfil its statutory responsibilities.

9.8. **Income Generation**

The main area of income generation for the Partnership is the provision of chargeable services. For such services, service users are asked to make a contribution towards the cost of their care. Decision making over service user contributions for Adult Social Care remains with Falkirk Council, not the IJB. However, the Partnership can make recommendations to the Council.

9.8.1. Service user contributions are a complex area, subject to varying rules and restrictions. For example, following implementation of the Carers' Act the Council waives contributions for Carers, albeit the service user may have to make a contribution.

9.8.2. As part of the 2018/19 budget setting process, it was agreed that a review of the contributions for Adult Social Care should be undertaken. Work has commenced on this review. However, with the complex nature of this area and limited resources, due in part to the work on the new Social Work Information System, progress has been limited. In addition, a benchmarking exercise is currently being undertaken across all IJBs in Scotland. It is hoped that this work will help to inform the Falkirk review.

9.8.3. The review of service user contributions involves a number of key questions:

- a) How are people financially assessed? Currently full financial assessments are only carried automatically out for those moving to residential care or those in receipt of respite.
- b) What contribution are service users asked to make? In order to review contributions in a meaningful way, service users must be financially

assessed, including income maximisation work. This will help to ensure that contributions are fair and proportionate. The link between addressing poverty and maximising income through supporting disabled people into work/employability must also be acknowledged and explored in further detail.

- c) How is non payment of debt handled? Currently Social Work Adult Services do not use any formal debt collection methods, beyond sending out reminders for payment. This is the only area of the Council that operates in this way. As such, the same service users can be referred to Sheriff Officers for non-payment of other debts such as Council Tax and Rent.
- d) How will a revised approach to contributions reflect consideration of disability related expenditure and the extension from 1st April 2019 of free personal care to under 65s?

9.8.4. Services which are subject to service user contributions fall into five main areas:

Residential Care	In 2018/19 the maximum charge per week for residential care was £796.25 (with some exceptions). This is subject to full financial assessment.
Day Care	This is subject to a weekly charge.
Care at Home	For under 65 year olds, this is subject to an hourly rate. For over 65 year olds, this is subject to a weekly rate.
Respite Care	This includes: <ul style="list-style-type: none"> • Joint Dementia Initiative • Rowans Short Break Service
Other Care	This includes: <ul style="list-style-type: none"> • MECS • Meals on Wheels • Lunch Club and Day Centre Lunches

9.8.5. Falkirk Council operates a weekly cap system for non residential services which includes:

- a) MECS
- b) Day Care
- c) Care at Home

- 9.8.6. This cap is determined by the age of the service user. In 2018/19 the cap was set as following:

Under 65's	£28.84 per week
Over 65's	£15.04 per week

- 9.8.7. Officers are of the view that the disparity in the cap is unfair and should be reviewed.

- 9.8.8. Two options have been identified for 2019/20 whilst work continues on the contributions review. These are:

- a) An uplift of existing charges. A scale of the income that could be expected based on percentage uplifts is provided below:

2018/19 Projected Income		3%	5%	10%	
Non Residential	£1,385,780	£41,570	£69,290	£138,580	
Residential	£9,126,110	£237,280	£237,280	£237,280	Limited to 2.6%
Total		£278,850	£306,570	£375,860	

- b) Move towards an equalisation of charges. The table below shows anticipated income if the rates for those aged 65+ were increased by 25% in 2019/20.

	2019/20
1. Set day care rate as the weekly cap	
Day Care Rate	£11.28
Weekly Rate	£18.49
Additional Income	£114k
2. Increase weekly cap, then day care rate	
Day Care Rate	£8.87
Weekly Rate	£18.49
Additional Income	£43k
3. Align day care rate, include the rate within weekly cap	
Day Care Rate	£11.28
Weekly Rate	£20.90
Additional Income	£73k

- 9.8.9. If the Council chose to increase non residential contributions by 5% and took option 3 for the equalisation of charges, the additional income would be c£0.380m.

9.9 Capital Planning

It is essential that the Partnership makes best use of the assets it has available. Ideally, efficiencies would be made in the existing infrastructure, which would allow investment to make key buildings fit for purpose. In order to achieve the optimum results, the review must be undertaken across the Partnership, recognising that this is just one of the benefits of integration. Opportunities to co-locate should be taken wherever feasible and beneficial.

- 9.9.1 The Falkirk Council capital programme has previously included budget for two key projects – Bainsford Day Centre roof replacement - c£1.7m and Older Peoples Residential Care Home review c£3.7m. In both cases, it has been agreed that it would not be appropriate to use the funds for the originally intended purpose. To date Falkirk Council has continued to protect these budgets for spend in Adult Social Work. Consideration has therefore been given to more effective use of the budget:

Bainsford Day Centre	<p>This project was reviewed as part of the younger adult day service review. In order to enable service users to have a more inclusive experience within the community, priority has been given to the provision of changing place toilets in the area (in collaboration with Falkirk Community Trust).</p> <p>Further proposals include:</p> <ul style="list-style-type: none"> • Existing day care facility refurbishment • Establishment of independence clinics • Refurbishment of Carronbank House to facilitate building rationalisation and support the West locality. • Further Changing Places Toilets investment
Older Peoples Homes	<p>To date the funds of c£3.7m have been set aside to create a new intermediate care facility on the site of the current Falkirk Community Hospital. No final decision has been made on this project.</p> <p>Falkirk Council's capital budget is subject to ongoing review as the proposals submitted by services will cost more than the funds available. The Council therefore goes through a scoring process to prioritise projects.</p> <p>To date the Council has protected the c£3.7m of capital budget for Adult Social Work Services. Proposals will have to be developed as a priority if the Partnership wants to use this funding.</p>

10. 2019/20 SAVINGS PROPOSALS

- 10.1 The aim of the business plan is to set out a programme of service redesign and transformation that will enable sustainable savings to be recognised over the five year period and support the delivery of the IJB Strategic Plan. However, as set out in section 8, there is further work to do in this area, including a detailed work plan showing project timelines. Once completed, potential savings can be aligned to these timelines.
- 10.2 Appendix 1 summarises the proposed draft savings for 2019/20. Each saving fits with the aspirations for services as set out in section 9 of this report. However, delivery of these savings will be challenging. The risk of delivery along with an initial assessment of the potential impact on service users is included in the appendix.
- 10.3 Where significant service redesign is included, this will be subject to further reports to the IJB along with consultation exercises with all key stakeholders. Experience demonstrates that a methodical and planned approach to change is more likely to result in a successful transition. The challenge for 2019/20 will be ensuring sufficient time to take such an approach.
- 10.4 In the event that the financial settlement for 2019/20 is better than anticipated, there will be a clear opportunity to address the gap in capacity which has been identified as the most significant risk to successful delivery of this business plan. Regardless of the financial settlement, the strategic direction set out in this business plan is anticipated to remain the optimum course of action.

11. CONCLUSIONS

- 11.1 The aim of this business plan is to set out the aspirations for the Adult Social Work service over the next five years. The plan sets out the challenges facing the Partnership both in terms of finances and the level of change and transformation taking place.
- 11.2 Savings options have been presented for Adult Social Work only at this stage. These savings options reflect the aspirations of the Partnership and link back to the outcomes in the Strategic Plan.
- 11.3 This business plan the assumptions in the business plan have been developed and agreed with Partners but are subject to ongoing review and refinement.
- 11.4 If approved the business plan would be issued to Falkirk Council for consideration as part of their budget process. Any feedback from the Council will be reported back to the next meeting of the IJB.

Resource Implications

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

Impact on IJB Outcomes and Priorities

The report sets out the savings which can be achieved whilst the Partnership works to deliver the outcomes and priorities of the Strategic Plan.

Legal & Risk Implications

Key risks set out in the report include the capacity of the management team to deliver operational services, delivery efficiencies and implement significant service changes. A support structure must be developed to mitigate these risks.

Consultation

Requirements for consultation on the proposed savings programme will require to be considered.

Equalities Assessment

An equalities assessment will require to be prepared for each of the savings proposals.

Approved for submission by: Patricia Cassidy, Chief Officer

Author: Joe McElholm, Head of Social Work Adult Services
Amanda Templeman, Chief Finance Officer

Date: 13 November 2018

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

Falkirk HSCP Savings Plan for 2019/20

1. Efficiency Savings						
Ref	Title	2018/19 Budget £m	2016/17 to 2018/19 Savings Delivered £m	Savings Amount £m	Risk	EPIA
1.1	Reviews of care packages	13.200	1.800	0.500	Green	Low
				0.300	Amber	Med
1.2	Cost reductions – Day Services for Younger Adults	3.291	0.597	0.200	Green	Low
				0.200	Red	Med
1.3	Reduction in costs related to sickness absence		0.150	0.250	Green	Low

2. Changing Models of Service Delivery						
Ref	Title	2018/19 Budget £m	2016/17 to 2018/19 Savings Delivered £m	Savings Amount £m	Risk	EPIA
2.1	Service Review – Model for Day Services for Older Adults	2.527	0.300	0.200	Green	Low
				0.100	Amber	Med
				0.200	Red	
2.2	Review of Home Care: In House	9.361	0.273	0.500	Green	Low
	External	7.347				
2.3	Supporting more people to remain living at home – reducing placements in care homes: In House	6.956	1.500	0.250	Green	Med
				0.250	Amber	Med
	External	35.100		0.500	Red	Med
2.4	Phase 2 implementation of revised eligibility criteria	4.275	0.030	0.250	Green	Low
				0.250	Amber	Med

3. Increasing income and other savings						
Ref	Title	2018/19 Budget £m	2016/17 to 2018/19 Savings Delivered £m	Savings Amount £m	Risk	EPIA
3.1	Charging uplift	10.823	0.530	0.300	Green	Low

	2016/17 to 2018/19 Savings Delivered £m	Savings Amount £m
Sub Total	5.180	4.250
Investment required in capacity (reablement provision)		(0.250)
Total		4.000