

AGENDA ITEM

8

Title/Subject: Financial Report
Meeting: Integration Joint Board
Date: 1 February 2019
Submitted By: Chief Finance Officer
Action: For Noting

1. INTRODUCTION

- 1.1 The purpose of this report is to provide the IJB with an updated financial position for 2018/19. A brief update on the position on the development of the 2019/20 budget is also provided.
- 1.2 The report separately reports the various elements of the IJB budget, namely:
- Partnership Base Budget
 - Partnership Funding
 - Leadership Funding
 - Integration Funding
 - Reserves
- 1.3 Revised Directions, reflecting changes to the IJB budget are presented for approval.

2. RECOMMENDATION

The IJB is invited to:

- 2.1. note the contents of the report
- 2.2. note the projected overspend of £2.692m for the Partnership, of which £2.504m relates to Health Services and £0.188m to housing adaptation work.
- 2.3. note the ongoing discussions regarding the Risk Sharing Agreement for 2018/19.
- 2.4. note the progress on the development of the 2019/20 IJB budget.

3. BACKGROUND

- 3.1. The December finance report to the IJB for 2018/19 highlighted that an overspend of £2.370m was projected for the year, including £1.083m in relation to Set Aside budgets.
- 3.2. An overspend of £0.188m was projected for the housing adaptation budgets. The IJB approved the application of £0.100m of integration funding reserves to offset this

overspend, with the remaining £0.088m coming from a ring fenced reserves for housing adaptations.

- 3.3. The remaining overspend of £2.182m was within the budgets delegated to NHS Forth Valley. Discussions to confirm a risk sharing agreement for 2018/19 were underway with initial views being that a similar arrangement to that adopted in 2017/18 would be appropriate.

4. 2018/19 PARTNERSHIP BUDGET

4.1. Resources Available – Partnership Base Budget

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

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

	£m
6 December Base Budget	215.186
Other Miscellaneous Adjustments (NHS)	0.188
Falkirk Council Adjustment – Transfer of a post to Social Work	0.018
Revised Base Budget	215.392

- 4.3. A number of minor adjustments have been made to the NHS budget resulting in an increase in funding of £0.188m. These increases are for areas including winter planning, vaccines, and diabetes prevention.
- 4.4. The funding from Falkirk Council increased by £0.018m. This is due to the transfer of a part time post from Corporate Services within the Council to Social Work (short breaks service).

5. FINANCIAL PROJECTION

- 5.1. The financial projection in this report takes into account the year to date position for the first eight months of the financial year. The projection for the Partnership is an overspend of £2.692m, of which £1.314m relates to the Set Aside budget. The risk for the Set Aside budget remains with the NHS Board and this position assumes that the NHS Board will address pressures in this element of the budget. The forecast position is reflected in Appendix 1 and summarised in the table below:

	Overspend £m
Budgets delegated to Falkirk Council (non HRA)	-
Budgets delegated to NHS Forth Valley (non Set Aside)	1.190
Overspend on Base Budget	1.190
Budgets Delegated to Falkirk Council (HRA)	-
Budgets Delegated to Falkirk Council (Capital)	0.188
Set Aside Budget	1.314
Total Outturn	2.692

- 5.2. A summary of the main pressures is provided below:
- 5.3. **Budgets delegated to NHS Forth Valley**
Operational and universal services show a projected overspend of £1.190m. This is based on a detailed analysis of the financial performance to date along with an assessment of likely savings delivery during 2018/19.
- 5.4. The main pressure areas across operational and universal services have previously been reported to the IJB and have not changed significantly. It is increasingly unlikely that there will be any significant improvement in the outturn position, with little in the way of additional savings or non-recurring savings having been identified. However, efforts continue to deliver savings.
- 5.5. A summary of the main pressure areas is provided below. To some extent these are offset with underspends across a range of community based services.
- 5.6. *Community Hospitals*
Previous reports to the Board have highlighted that additional spend was incurred within the community hospitals due to pay pressures associated with the opening of contingency beds, the continuing impact of inflationary pay pressures from 2017/18 and a high nursebank spend across most ward areas. During Winter 2018/19 to date, additional beds in Falkirk Community Hospital and Bo'ness Community Hospital have been required. The figures in this report are to the end of November and do not reflect much of this expenditure. However, it is anticipated that funding will be forthcoming to cover most of the 2018/19 winter bed costs.
- 5.7. *Community Services Directorate*
The projection for the Community Services Directorate (CSD) as a whole is relatively strong. However, pressures are being experienced with bank/agency staff usage and staffing levels across the Directorate. Review work is ongoing, including the consideration of appointing permanent staff in order to save on bank costs.
- 5.8. Whilst a number of savings within the CSD are unlikely to deliver in 2018/19, the majority of savings plans are on target.

5.9. *Prescribing*

The current projection for prescribing is an overspend of £1.427m for the financial year, a slight increase of £0.075m on the previous projection. As previously reported, the budget is under pressure from expensive new drugs and devices, for example pressures from a new glucose monitoring system for diabetes. In addition there are significant delays in delivery of efficiency savings with a shortfall of £0.571m anticipated for Falkirk.

5.10. *Primary Medical Services*

An overspend of £0.135m is forecast in this area for 2018/19. The main drivers for this in Falkirk are locum costs to cover GP vacancies for 2C practices and special leave claims from independent practices to reimburse locum cover for sickness absence. However, some progress with recruitment is expected to reduce the need for some locum staff going forward.

5.11. **Set Aside Budget**

Nursing budgets within the Set Aside budget are projected to overspend with some of the pressure directly related to IJB pay budgets not being uplifted for inflation in 2017/18. Pay budgets were uplifted for 2018/19.

5.12. There are a number of actions ongoing to minimise the requirement for agency staff with recent appointments and an on-going recruitment process. The Safe and Efficient Staffing Group continues to review nursing expenditure, staffing levels and requirements for supplementary staffing on a regular basis.

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

The adult social care budget (excluding non housing revenue account and capital) is projected to break even at this point in the financial year, subject to the delivery of savings. Previous reports to the IJB have highlighted a risk of overspend and this risk has increased. This is mainly due to increased home care hours going to external providers, staffing issues within residential care and non delivery of some savings in relation to high cost care packages. Some actions are being taken in January which are expected to improve the position. However, it is conceivable that Adult Social Work could move into an overspend position by the end of the financial year. This has been raised with colleagues within Falkirk Council.

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

The budget delegated to Falkirk Council in respect of Housing Revenue Account (HRA) related spend is projected to break even at this point in the financial year. As highlighted in previous reports, the capital budget which is used to provide private sector housing grants is projected to overspend due to an increase in the number of referrals for adaptations. The overspend is projected to be £0.188m. The IJB has previously agreed to apply £0.088m from a ring-fenced reserve and £0.100m from Integration Funding to fund these additional costs.

6. SAVINGS DELIVERY

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

	Original Budget £m	Current Projection £m	Shortfall
Savings requirement per budget			
Budgets delegated to NHS Forth Valley (excl Set Aside)	1.674	0.735	0.939
Budgets delegated to Falkirk Council	2.615	1.915	0.700
Total	4.289	2.650	1.639
Set Aside savings required	0.052	0.036	0.016
Total savings requirement	4.341	2.686	1.655

- 6.2. The Partnership started the financial year in a relatively strong position with savings identified to cover the financial gap, as well as a small cushion in the event that some savings were not delivered. Delivery of planned and recurrent savings has previously been highlighted as an area of concern for the Partnership.
- 6.3. Appendix 3 provides a position statement on delivery of savings, including a projection for savings delivery. This is reflected in the table above. At this stage a very prudent approach to the projection has been taken – where no savings have been delivered to date, no savings projection has been included. Whilst some savings may be achieved in the year, it is becoming increasingly unlikely that the projection will improve significantly.
- 6.4. The projections in section 5 of this report incorporate the savings projections noted above.

7. RISK SHARING AGREEMENT

- 7.1. In 2017/18 a risk sharing agreement was made between each of the Partners and the IJB. This agreement effectively stated that each Partner would take responsibility for their overspend. However, that agreement was for one year only. This short term approach recognised that the Partnership is in a transitional phase with significant structural change anticipated in 2018/19 and 2019/20. It was considered that the cost sharing model adopted for 2017/18 may not therefore be appropriate once these structural changes have taken place.
- 7.2. Colleagues at Falkirk Council and NHS Forth Valley have been approached to get their initial views for a risk sharing agreement for 2018/19 and beyond. There is a broad agreement in principle to adopt a similar arrangement to that agreed in 2017/18. At the time of writing this report meetings have been scheduled with colleagues to discuss this in more detail.

8. LEADERSHIP FUNDING

- 8.1. In March 2017 the IJB agreed to remit £1m of Partnership Funding to the Leadership Group to enable effective and timeous allocation of resources to respond to need, effect action, increase pace of change and improvement within key priority areas aligned with the Strategic Plan. Once funding proposals have been considered by the Leadership Group and approved by the Chief Officer, they will be presented to the Chair and Vice Chair for agreement. A further £1m was approved as part of the Partnership Funding investment plan for 2018 – 2021.
- 8.2. Projected spend against the available funds for 2018/19 is as follows:

	£m
Funds Available	1.617
Less: ADL Smartcare	(0.065)
Discharge to Assess	(0.093)
Graduate Placements	(0.008)
Temporary Posts to support the roll out of Eligibility Criteria	(0.023)
Temporary Posts to support the roll out of the Carers Legislation	(0.053)
Day Care for Younger Adults	(0.075)
Use of ISD/LIST Analysts	(0.070)
3 x Occupational Therapists (Reablement)	(0.062)
Independence Clinics (ADL Module etc)	(0.041)
Community Led Support	0.053
Total Committed for 2018/19	(0.544)
Current Available Balance	1.072

- 8.3. The Leadership Team agreed to match fund a project to progress a programme of Community Led Support. The programme will be delivered by the National Development Team for Inclusion and has been match funded by the Scottish Government. It has been agreed that a presentation on this work will be given to the Strategic Planning Group in March, with further information presented to the IJB following this.
- 8.4. The Leadership Team has been asked to identify further potential uses for the funding. Funding requests will continue to be considered using the agreed governance process noted above and will be reported back to the IJB as appropriate.

9. INTEGRATION FUNDING

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

- 9.2. During the budget process for 2018/19, the IJB agreed to apply £0.700m towards the funding gap for Adult Social Care. A further £0.100m will be applied to the projected 2018/19 overspend on housing adaptations. £0.630m remains in reserve for future use.

10. PARTNERSHIP FUNDING

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

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

- 10.2. It is anticipated that some of the committed funds will not be spent in year due to, for example, late recruitment of staff etc. For each project any unused funds will be reviewed and where appropriate projects may apply to retain the funds for future use.
- 10.3. Partnership Funding applications continue to be considered through the approved governance process. The Partnership Funding Group continues to review the performance of each of the funded initiatives within the IJB's approved budget and the IJB received a performance review of initiatives at its December 2018 meeting.

11. RESERVES

- 11.1. As at 31st March 2018 the IJB had £6.490m of reserves. An analysis of these reserves and their projected balance at the end of the year is included at Appendix 4.

12. DIRECTIONS

- 12.1. Previous reports to the IJB have proposed that Directions are updated throughout the year and included in the regular financial position reports for approval. Updated Directions have been included as appendices 5 and 6 to this report. At this point the Direction simply reflect amendments as a result of changes to funding. A tracker of the changes has been prepared.
- 12.2. Previous reports have set out some of the proposals from the Scottish Government in respect of Directions. Under the draft guidance, future Directions would include:
- Scope and scale of the function
 - Finance involved

- Scale and nature of change
- Those impacted by the change
 - Patients
 - People who use services
 - Carers
 - Local communities
 - Staff
 - Others
- Timescale for delivery

12.3. The guidance also suggests that Directions could be attached to each report where a significant change is proposed. This reflects that the IJB has an agenda of change and improvement. It can therefore reasonably be expected that a number of decisions made by IJBs will impact on delivery partners that will require Directions to be issued. The Scottish Government has not yet issued the final guidance. Proposals to revise the Directions will be brought back to the IJB for approval.

13. 2019/20 BUDGET

- 13.1. The development of the 2019/20 IJB budget has not progressed significantly since the verbal update provided to the IJB at its meeting on 7 December 2018. The Scottish Government has distributed the finance circular for Local Government setting out a draft funding position. Funding for 2019/20 equates to an average reduction in funding of 2.4% nationally, with Falkirk Council experiencing a 2.6% reduction. Nationally there remains a lack of clarity around some elements of the finance circular. Councils, including Falkirk Council, are in discussion with COSLA on the wider interpretation of the terms of the circular. Initial review suggests that additional funding of £160m is ring-fenced for the Integration Joint Board and must be additional to the 2018/19 financial settlements. This would restrict the savings that the Council could request from the IJB. However, Falkirk Council has indicated that they believe there is flex in the circular which could mean that the level of savings required is consistent with the figure reported to the IJB on 21 November 2018. The differing interpretations of the letter could have a significant impact on the level of savings that the IJB are required to deliver, which in turn impacts on the development of the business plan for 2019/20.
- 13.2. On the NHS arm of the budget, the Scottish Government have provided the indicative allocations for Health Boards for 2019/20. NHS Forth Valley will receive a 2.6% uplift on the baseline 2018/19 budget, along with a share of NRAC parity funds. This provides a total uplift of 3%. In addition there will be investment of £392m (an increase of £149m on the 2018/19 investment) to reform service delivery, including primary care improvement, waiting times improvement and mental health improvement. Similar to the Local Government position, the Scottish Government has put in place some restrictions on the financial settlement by NHS boards. NHS payments to Integration Authorities for delegated health functions must deliver a real terms uplift in baseline funding, before provision of funding for pay awards, over 2018/19 cash levels. Discussions are ongoing to review the impact of the above on

the IJB budget, including setting out the impact of the settlement on savings requirements and the options available to balance the budget.

- 13.3. The position outlined above increases the risk that a balanced budget may not be set by the end of March 2019. However, meetings are scheduled to drive forward progress in this area and it is expected that both partners will be in a position to formally propose financial settlements before the end of March 2019.

14. CONCLUSIONS

- 14.1. This report provides a projected outturn for the Falkirk Partnership for 2018/19. There remains a significant risk of the Partnership overspending by £2.692m and a number of financial pressures and risks remain.
- 14.2. The current projected overspend is mainly a result of ongoing pressures around prescribing and winter capacity challenges. The focus for NHS Forth Valley is on trying to maximise efficiencies and delivering the existing savings plans. Projections are volatile, particularly for prescribing and the IJB will be kept up to date on progress.
- 14.3. Discussions are ongoing on the risk sharing agreement with Partners and at this time there is an agreement in principle to adopt the same approach used in 2017/18. Further discussions will be held to look at this area in more detail.
- 14.4. Work is ongoing to progress the 2019/20 budget. However, some uncertainties exist in both arms of the budget and there is a risk that a balanced budget will not be set by 31 March 2019. It is, however, anticipated that there will be clarity over the financial settlements from the statutory partners.

Resource Implications

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

Impact on IJB Outcomes and Priorities

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

Legal & Risk Implications

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

The IJB has been informed of a projected overspend for 2018/19 from an early stage in the financial year. However, it has been unable to make an impact on that projection. This highlights risks around both financial sustainability and financial governance.

Consultation

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

Equalities Assessment

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

Approved for Submission by: Patricia Cassidy, Chief Officer

Author – Amanda Templeman

Date: 17 January 2019

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

**BUDGET MONITORING STATEMENT 2018/19
FOR PERIOD TO 30/11/18**

SUMMARY STATEMENT

	<u>Budget</u>	<u>Projected</u>	<u>(Fav)/ Adv</u>
	£m	Outturn	Variance
		£m	£m
Adult Social Work Services	72.898	73.086	0.188
Falkirk Council Spend to Save	0.325	0.325	-
NHS Forth Valley - Set Aside	25.697	27.011	1.314
NHS Forth Valley - Operational & Universal	116.472	117.662	1.190
Sub - Total	215.392	218.084	2.692
Use of Earmarked Reserves	(0.700)	(0.800)	-
NET EXPENDITURE	214.692	217.284	2.692
<u>Funded By :</u>			
Falkirk Council Contribution	62.146	62.146	-
Falkirk Council Spend to Save Contribution	0.325	0.325	-
NHS Forth Valley Contribution	142.169	142.169	-
Integration Funding (via Health Boards)	10.052	10.052	-
Leadership Funding	-	-	-
NET INCOME	214.692	214.692	-
SURPLUS/(DEFICIT)	-	(2.592)	(2.692)
Transfer from HRA Reserves		-	
Transfer from Capital Reserves		0.088	
Projected Outturn		(2.504)	

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

**BUDGET MONITORING STATEMENT 2018/19
FOR PERIOD TO 30/11/2018**

	Falkirk Council			NHS Forth Valley			Total Partnership		
	<u>Budget</u>	<u>Projected</u>	<u>(Fav)/ Adv</u>	<u>Budget</u>	<u>Projected</u>	<u>(Fav)/ Adv</u>	<u>Budget</u>	<u>Projected</u>	<u>(Fav)/ Adv</u>
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Care at Home Services									
Care at Home	30.809	31.303	0.494	-	-	-	30.809	31.303	0.494
MECS/Telecare/Telehealth	0.588	0.484	(0.104)	-	-	-	0.588	0.484	(0.104)
Equipment & Adaptations	0.404	0.369	(0.035)	-	-	-	0.404	0.369	(0.035)
Housing Aids & Adaptations	1.200	1.200	-	-	-	-	1.200	1.200	-
Improvement Grants	0.327	0.515	0.188	-	-	-	0.327	0.515	0.188
Garden Aid	0.489	0.489	-	-	-	-	0.489	0.489	-
Community Based AHP Services	-	-	-	6.512	6.344	(0.168)	6.512	6.344	(0.168)
Care of Elderly Provided Outwith a Hospital	-	-	-	1.136	1.048	(0.088)	1.136	1.048	(0.088)
District Nursing	-	-	-	4.341	4.328	(0.013)	4.341	4.328	(0.013)
Palliative Care	-	-	-	0.082	0.073	(0.009)	0.082	0.073	(0.009)
	33.817	34.360	0.543	12.071	11.793	(0.278)	45.888	46.153	0.265
Residential/Building Based Services									
Community Hospitals	-	-	-	5.745	6.171	0.426	5.745	6.171	0.426
Residential Care	23.223	23.367	0.144	-	-	-	23.223	23.367	0.144
Housing with Care/Sheltered Accommodation	1.198	1.316	0.118	-	-	-	1.198	1.316	0.118
	24.421	24.683	0.262	5.745	6.171	0.426	30.166	30.854	0.688
Mental Health Services									
Mental Health Inpatient Services	-	-	-	6.564	7.061	0.497	6.564	7.061	0.497
Community Mental Health	1.219	1.120	(0.099)	5.703	5.581	(0.122)	6.922	6.701	(0.221)
Addiction Services	-	-	-	3.128	2.970	(0.158)	3.128	2.970	(0.158)
	1.219	1.120	(0.099)	15.395	15.612	0.217	16.614	16.732	0.118
Respite & Carers Support									
Respite Care	2.038	1.964	(0.074)	-	-	-	2.038	1.964	(0.074)
Carers	0.048	0.035	(0.013)	-	-	-	0.048	0.035	(0.013)
	2.086	1.999	(0.087)	-	-	-	2.086	1.999	(0.087)

Other Care Services

Assessment & Care Planning	4.045	3.813	(0.232)	-	-	-	4.045	3.813	(0.232)
Day Care Services	4.597	4.487	(0.110)	-	-	-	4.597	4.487	(0.110)
Community Learning Disability	0.937	0.873	(0.064)	0.842	0.632	(0.210)	1.779	1.505	(0.274)
Adult Support & Protection	0.101	0.101	-	-	-	-	0.101	0.101	-
Sensory Team & Resource Centre	0.467	0.467	-	-	-	-	0.467	0.467	-
Voluntary Organisations	0.568	0.554	(0.014)	-	-	-	0.568	0.554	(0.014)
Public Health Promotion	-	-	-	1.335	1.218	(0.117)	1.335	1.218	(0.117)
Continence Services	-	-	-	0.197	0.171	(0.026)	0.197	0.171	(0.026)
Public Dental Service	-	-	-	1.059	1.077	0.018	1.059	1.077	0.018
	10.715	10.295	(0.420)	3.433	3.098	(0.335)	14.148	13.393	(0.755)

Joint Partnership

Advocacy	0.096	0.095	(0.001)	-	-	-	0.096	0.095	(0.001)
Joint Loan Equipment Store	0.344	0.334	(0.010)	-	-	-	0.344	0.334	(0.010)
Joint Partnership Agreements	-	-	-	1.821	1.968	0.147	1.821	1.968	0.147
Resource Transfer	-	-	-	11.253	11.253	-	11.253	11.253	-
	0.440	0.429	(0.011)	13.074	13.221	0.147	13.514	13.650	0.136

Universal Services

Prescribing	-	-	-	36.270	37.697	1.427	36.270	37.697	1.427
Primary Care	-	-	-	37.045	37.128	0.083	37.045	37.128	0.083
	-	-	-	73.315	74.825	1.510	73.315	74.825	1.510

Set Aside (excluding Mental Health)	-	-	-	19.136	19.953	0.817	19.136	19.953	0.817
Management & Support Costs	0.200	0.200	-	-	-	-	0.200	0.200	-
Falkirk Council Spend to Save	0.325	0.325	-	-	-	-	0.325	0.325	-

TOTAL	73.223	73.411	0.188	142.169	144.673	2.504	215.392	218.084	2.692
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Appendix 3

SAVINGS TRACKER 2018/19 FOR PERIOD TO 30/11/18						
REF	DESCRIPTOR	RISK RATING	PROPOSED SAVING £m	PROJECTED SAVING £m	SHORTFALL £m	COMMENTS
Efficiencies/Housekeeping						
1A	Dietetics		0.028	0.028	-	Some review work required but majority deliverable.
1B	Adult Speech & Language Team - review of service		0.011	-	0.011	Limited options for redeployment.
1C	Housekeeping within Community Services Directorate		0.121	0.056	0.065	
Case for Change Produced/Required						
2A	Redesign of Administering Intravenous Antibiotics in the Community, Specialist Rehab Provision, Day Hospital Review & Frailty		0.413	-	0.413	Progress underway but no savings delivered to date.
2B	Redesign of Community Rehab Teams		0.110	0.027	0.083	Alternative options under consideratoin.
2C	AHP, MH, LD & OAP Care Group - skill mix changes		0.040	-	0.040	Limited options for redeployment.
Prescribing						
3A	Quetiapine prescriptions		0.075	0.005	0.070	Timescale for delivery of saving being reviewed.
3B	Housekeeping		0.070	0.070	-	
3C	Technical Switches - Edoxaban		0.149	0.092	0.057	May require invest to save; further update to be prepared.
3D	Technical Switches - Other		0.092	0.149	-	0.057
3E	Review of Primary Care - over-ordering & waste		0.625	0.156	0.469	Savings are still expected but quantum to be reviewed & likely reduced.
3F	Changes in Melatonin Protocol		0.022	0.022	-	
3G	18/19 Part 7 Tariff Reductions/Off Patent Benefits		0.130	0.130	-	
Total for Operational & Universal Savings			1.886	0.735	1.151	
Set Aside						
4A	Specialist Mental Health - cap non core staffing		0.025	-	0.025	Not confirmed/difficult to achieve.
4B	Hope House Bed Income		0.111	-	0.111	Beds at full capacity.
4C	Housekeeping - Community Services Directorate		0.041	0.036	0.005	
Total for Set Aside Savings			0.177	0.036	0.141	
TOTAL NHS SAVINGS			2.063	0.771	1.292	

SAVINGS TRACKER 2018/19 FOR PERIOD TO 30/11/18						
REF	DESCRIPTOR	RISK RATING	PROPOSED SAVING	PROJECTED SAVING	SHORTFALL	COMMENTS
Efficiencies/Housekeeping						
1.1	High Cost Care Packages	A	0.800	0.300	0.500	
1.2	Reduction in Costs Relating to Sickness Absence	A	0.100	0.100	-	
1.3	Improved Rotas at Care Homes for Older People	A	0.050	0.050	-	
Changing Models of Service Delivery						
2.1	Reduction in spend on Purchased Care Home Placements	A	0.400	0.400	-	
2.2	Provision of Equipment	A	0.030	0.030	-	
2.3	Older Adults Day Services	G	0.200	-	0.200	Wider review piece may take longer than anticipated.
Increasing Income & Other Savings						
3.1	Application of Integration Funding	G	0.700	0.700	-	
3.2	Charging Income	G	0.300	0.300	-	
3.3	Supporting People Budget	G	0.035	0.035	-	
TOTAL ADULT SOCIAL CARE SAVINGS			2.615	1.915	0.700	
TOTAL PARTNERSHIP SAVINGS			4.678	2.686	1.992	
SAVINGS REQUIRED PER APRIL 2018 BUDGET REPORT			4.341			

FALKIRK HEALTH AND SOCIAL CARE PARTNERSHIP

PROJECTED RESERVES POSITION FOR 2018/19 AS AT 30/11/18

	OPENING BALANCE 01/04/2018 £m	TRANSFERS IN £m	PROJECTED TRANSFERS OUT/SPEND £m	PROJECTED CLOSING BALANCE 31/03/2019 £m
General Reserve	0.297	-	-	0.297
Housing Revenue Account	0.237	-	-	0.237
Capital Grant	0.088	-	(0.088)	-
Sensory Strategy	0.052	0.009	(0.001)	0.060
Services for Survivors	0.090	0.035	-	0.125
Dementia Innovation Fund	0.100	0.100	-	0.200
-	-	-	-	-
Integration Funding	1.430	-	(0.800)	0.630
Partnership Funding	2.408	2.744	(3.516)	1.636
Leadership Funding	0.617	1.000	(0.544)	1.073
PC & MH Transformation Funds	0.607	-	(0.403)	0.204
Transforming Urgent Care	0.392	-	(0.250)	0.142
Pharmacy First	0.002	-	-	0.002
Mental Health Innovation Fund	0.112	-	-	0.112
GP Cluster Model	0.058	-	-	0.058
	6.490	3.888	- 5.602	4.776

PUBLIC BODIES (JOINT WORKING) (SCOTLAND) ACT 2014

DIRECTION TO FALKIRK COUNCIL

Direction for Financial Year 2018/19

1. The Integration Joint Board has the authority to make decisions in respect of services commissioned from Falkirk Council ("the Council"). The Integration Joint Board directs the Council in terms of section 26 of the Public Bodies (Joint Working) (Scotland) Act 2014 to carry out each of the functions listed in Annex 2 of the Integration Scheme ("the functions"), subject to the following conditions:-
 - (a) the functions will be carried out consistent with the existing policies of the Council and any relevant decisions of the Council in relation to its revenue budget;
 - (b) the functions will be carried out in a manner consistent with the strategic plan; and
 - (c) no material change will be made to policies (for example eligibility criteria) or service provision (for example Discharge to Assess services) within the functions (with the exception of the function under section 24 of the Local Government and Planning (Scotland) Act 1982) unless agreed by the IJB.
 - (d) any material change to policies or service provision as outlined in (c) must be initiated and discussed through the Leadership Group (agreed by the IJB on 7 October 2016)
2. The IJB will make a payment to the Council of £72.898m to carry out the functions. This includes the agreed use of £0.700m of Integration Funding from IJB reserves.
3. A further £0.188m of reserves will be made available to the Council for Housing Adaptations work. In the event the costs are lower than £0.188m, the reserves will be reduced accordingly.
4. This direction will remain in force until revoked in full or part by the IJB.

Falkirk Integration Joint Board
1 February 2019

PUBLIC BODIES (JOINT WORKING) (SCOTLAND) ACT 2014**DIRECTION TO FORTH VALLEY HEALTH BOARD**

Direction for Financial Year 2018/19

1. The Integration Joint Board has the authority to make decisions in respect of services commissioned from Forth Valley Health Board (“the Health Board”). The Integration Joint Board directs the Health Board in terms of section 26 of the Public Bodies (Joint Working) (Scotland) Act 2014 to carry out each of the functions listed in Annex 2 of the Integration Scheme (“the functions”), subject to the following conditions:-
 - (a) the functions will be carried out consistent with the existing policies of the Health Board and any relevant decisions of the Health Board in relation to its revenue budget;
 - (b) the functions will be carried out in a manner consistent with the strategic plan; and
 - (c) no material change will be made to policies (for example reablement strategies) or service provision (for example patient pathways) within the functions unless agreed by the IJB.
 - (d) any material change to policies or service provision as outlined in (c) must be initiated and discussed through the Leadership Group (agreed by the IJB on 7 October 2016)
2. The IJB will make a payment to the Health Board of £116.472m to carry out the functions. The Health Board will make use of the sum of £25.697m set aside in relation to Large Hospital Services.
3. The Health Board will pass through £10.052m of Integration Funding to Falkirk Council in line with Scottish Government allocations. £3.744m of funding for the Integrated Care Fund and Delayed Discharge will be allocated in line with the agreed Partnership Funding governance process.
4. This direction will remain in force until revoked in full or part by the IJB.

Falkirk Integration Joint Board
1 February 2019

