

Agenda Item

7

Title/Subject: 2019/20 Financial Projection

Meeting: Integration Joint Board

Date: 6 September 2019

Submitted By: Chief Finance Officer

Action: For Decision

1. INTRODUCTION

- 1.1. The purpose of this report is to provide the IJB with an updated financial position, including the projected outturn for 2019/20. This report also provides an update on the recommendations agreed in the budget report presented to the June 2019 IJB.
- 1.2. The structure of the report sets out 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. RECOMMENDATIONS

The IJB is invited to:

- 2.1. note the contents of this report.
- 2.2. note that where operational management of services has not transferred, financial accountability has also not transferred and assurance on financial matters is sought from the partner organisation.
- 2.3. note that there is a high risk that the Partnership will not achieve financial balance in 2019/20.
- 2.4. seek confirmation from NHS Forth Valley that further measures to achieve financial balance will be developed for 2019/20.
- 2.5. request that partners report back to the IJB in November 2019, setting out an agreed risk sharing proposal.

3. BACKGROUND

- 3.1. The 2019/20 budget report presented to the IJB in June 2019 set out the risk of achieving financial balance in 2019/20. This was due to a combination of factors including:
- The financial gap on the NHS elements of the budget for in-scope services, including Set Aside
 - The recurring pressures, met from non recurring means in 2018/19 for both adult social work and health services
 - The risk of a disconnect between accountability for services and accountability for budgets
 - The capacity of the management team to deliver operational services, delivery efficiencies and implement significant service changes.
- 3.2. As a result of the above, the report concluded the delivery of financial balance in 2019/20 was very high risk.
- 3.3. The governance arrangements around the finances of the IJB are complicated by the different arrangements in place for service delivery across the two partners. To date, the approach has been that where operational management of services transferred, financial accountability has also transferred. Where operational management of services has not transferred, financial accountability has also not transferred and assurance on financial matters is sought from the partner organisation. These arrangements remain in place at this time and follow advice received from Internal Audit.

4. 2019/20 PARTNERSHIP BUDGET

Resources Available – Partnership Base Budget

- 4.1. The Partnership Base Budget covers the payments made by each partner to the IJB. In previous years Partnership Funding has been excluded from this figure and reported separately. Partnership Funding is now included in the summary position and total budget figures shown in table 1.
- 4.2. The budget is made up of the original financial settlements from each Partner, amended for variations on a monthly basis. The financial settlements are, in the main, made up of recurring funds. Variations in the budget can occur due for a number of reasons, including additional funding (recurring or non recurring) from the Scottish Government or adjustments to correct in-scope/out of scope budget anomalies. In some cases, for example the Primary Care Improvement Fund, the funding allocated to the IJB is released to the IJB on a month by month basis, based on spend. This 'drip feed' of funds will also show as a variation to the budget. It should be expected that there will be numerous variations to the budget in the first few months of the financial year, particularly on the health side.

- 4.3. The movement in the base budget is set out below, and further details are included in Appendix 1. Table 2 shows funding allocations confirmed to date by the Scottish Government is also presented.

Table 1

	£m
7 June 2019 Budget	221.015
Adjustments to Funding Settlement from NHS Forth Valley	6.385
Adjustments to Funding Settlement from Falkirk Council	0.045
Planned use of reserves	0.070
Revised Base Budget	227.515

- 4.4. The variations in funding from NHS Forth Valley are set out in Appendix 1. These include £2.110m for superannuation uplifts, along with allocations from the Primary Care Improvement Fund, Mental Health Action 15 monies and Mental Health Outcomes Framework. There are also a number of adjustments for primary care services, including monies for direct enhanced services and support for Kersiebank.
- 4.5. There were two minor variations in the funding received from Falkirk Council, also included in Appendix 1.
- 4.6. As set out in paragraph 4.2, some funding streams can be 'drip fed' into the IJB budget. For clarity, table 2 sets out the funding allocations from Scottish Government which have been received but have not been fully reflected in the budget figure above. This can be due to timing differences, or the way the allocation is managed.

Table 2

	£m
ADP Improvement Funds – interim allocation (see paragraph 4.8)	0.425
Mental Health Action 15	0.489
Mental Health Outcomes Framework	TBC
Unscheduled Care	TBC
Appropriate Adult Service	0.015
Total	0.929

- 4.7. At the financial year end the Scottish Government gathered information via the Chief Finance Officer Network on allocations included within Integration Authorities earmarked reserves as at 31 March 2019. For 2019/20 the Scottish Government will prioritise the use of earmarked reserves in advance of any further allocation of funding. In terms of allocations for planned expenditure during 2019/20 for Action 15, Primary Care Improvement Fund, ADP and Mental Health, these totals will be reduced by the value held in reserves before additional 2019/20 allocations are made. The Scottish Government have provided assurances that this does not reduce the overall commitment to fund specific policy initiatives.
- 4.8. In 2018/19 the Scottish Government allocated £0.488m to Falkirk IJB for the Alcohol and Drug Partnership. The December 2018 report to the IJB noted that NHS Forth Valley reduced their baseline grant to the Falkirk IJB which would be offset by the new grant. In 2018/19 the total reduction was £0.364m. In 2019/20, it is expected that the improvement funds available will once again be reduced by £0.364m. Plans for the use of the remaining funds of £0.124m will be prepared and reported back to the IJB.

5. FINANCIAL PROJECTION

- 5.1. The financial projection in this report takes into account the year to date position following quarter 1 of the financial year – April to June 2019. The projection for the Partnership is an overspend of £3.241m, including the Set Aside budget. The forecast position is reflected in Appendices 2 and 3 and summarised in table 3:

Table 3

	£m
Budgets delegated to Falkirk Council (non HRA)	-
Budgets delegated to NHS Forth Valley	1.845
Projected Overspend	
Budgets Delegated to Falkirk Council (HRA)	-
Budgets Delegated to Falkirk Council (Capital)	-
Set Aside Budget	1.396
Total Outturn	3.241

5.2. The main areas of financial pressure are:

- Community hospitals – some contingency beds remained open until mid June and these beds were not funded from winter planning or unscheduled care funds. Estimated additional costs as a result of the use of contingency beds are approximately £0.102m. No savings in respect of the community hospitals have been shared for presentation to the IJB. This is of particular concern as winter approaches, as generally there is an increase in demand and associated costs.
- Mental Health Inpatient Services – the financial performance in this area reflects the impact of complexity of care required and occupancy levels. Some of these pressures have abated somewhat but this remains a volatile area.
- Set Aside – one of the main issues in this area is bank and agency spend.
- Primary Care – ongoing pressures continue to be reported in respect of general practice in terms of locum costs due to maternity and sick leave within independent 17J and GP vacancies in 2C practices. In addition, a single handed GP contractor has retired and the practice is closing. The resulting transfer of patients to a neighbouring practice may result in a non recurring financial pressure.
- Prescribing – the projection is based on 2018/19 performance as there is a time lag in receiving prescribing information from the Information Services Division of NHS National Services Scotland.
- External home care – whilst a breakeven is projected across Adult Social Work, costs continue to rise in respect of external home care. In 2017/18, costs of external home care for the period April to July were £2.157m. For the same period in 2019/20, costs are £3.297m, an increase of 52.9%. Whilst there are many reasons for this growth including increase in the number of hours and inflationary uplifts for contracts, this level of growth is unsustainable. A review of the role of internal and external home care and a review of assessment and care management will be taken forward in 2019/20, as outlined in the IJB business plan.

5.3. The projection of £3.241m is very prudent. For example, it does not include the projected prescribing savings at this time. This is due to the timing of information as noted above. Over the next few weeks, work is planned to go through the budget on a line by line basis and assess the best, mid and worst case scenarios. This will provide more clarity around the risks in the budget. Of critical importance will be the ongoing messaging around the need for financial prudence and development of further savings options with the aim of delivering financial balance.

- 5.4. The pressures for 2019/20 remain as previously highlighted throughout 2017/18 and 2018/19. This is an indication that the IJB and partners are not yet making changes which have a sustainable financial impact in these areas. The complexity of these services and the inherent difficulties in reducing budget pressures should not be underestimated but it is essential. The cycle of overspends in these key areas must be addressed through identification and delivery of recurring savings which will allow discussions around budget realignment where necessary.

6. SAVINGS DEVELOPMENT

- 6.1. The June budget report to the IJB highlighted that the IJB budget for 2019/20 was not in balance and that this posed a risk to the IJB and partners. In March 2019 it was estimated that savings of £5.672m would be required to bring the budget into balance. Based on current projections, this figure has reduced slightly to £5.241m. This is summarised in table 4 below.

Table 4

Savings Requirement	Falkirk Council £m	NHS Forth Valley £m	Total £m
March 2019 budget report	2.200	3.472	5.672
June 2019 projection	2.000	3.241	5.241
Movement	(0.200)	(0.231)	(0.431)

- 6.2. Failure to deliver recurring savings poses the most significant risk to achieving financial balance in 2019/20. The outturn position set out in section 5 of this report is predicated on full delivery of savings within Adult Social Work, with the exception of the review of high cost care packages which was a 2018/19 saving, carried into 2019/20. This saving is expected to deliver approximately £0.200m less than anticipated but this can be offset with other efficiencies. However, there are risks in the other savings areas. Projected savings by NHS Forth Valley are expected to reduce the current projected overspend and deliver an improved position but full delivery of savings identified to date would not achieve financial balance and this remains high risk.
- 6.3. The savings developed to date sit under 3 broad categories:
- Housekeeping & efficiencies – this could include minor procurement changes, tackling sickness absence etc.
 - Prescribing housekeeping & efficiencies – this would include for example technical switches which whilst routine to prescribing colleagues, take a significant amount of work and consultation to put into place.

- Service and transformational changes – this would include changes of culture, behaviour and practice, as well as wider spread reviews, for example the review of day care services.
- 6.4. Whilst the first two bullet points are important and can generate significant benefits for patients and the organisation, focus will have to be given to service and transformational changes if financial balance is to be achieved in 2019/20 and beyond.
- 6.5. Previous reports to the IJB have highlighted the areas where service and transformational changes are required. These include:
- Assessment and care management – demand management
 - Maximising Independence model, working with IPC
 - Community Hospitals
 - Prescribing waste and over-ordering
- 6.6. In the wider Acute Services within NHS Forth Valley, work has been undertaken to identify cost improvements and set up workstreams to deliver these. This includes areas such as medical and nursing workforce, reducing bed occupancy and reviewing administrative processes. The approach taken by each workstream is to focus on improvement and added value, sharing any good practice or improvements they secure with other service areas. Cost improvements of approximately £4.0m have been identified within Acute Services to date, with approximately 65% currently delivering and the remainder expected to begin later in the financial year. A meeting is set up to review the impact of this work on the Set Aside budget for the IJB.
- 6.7. Appendix 4 provides a summary of the savings which have been identified for 2019/20. This is a combination of the savings agreed for Adult Social Work as set out in the March 2019 budget report and savings presented to the NHS Health Board on 1 August 2019, where they impact on in scope health services. A financial summary is included in table 5:

Table 5

	£m
Savings Requirement based on June 2019 projection	5.241
Savings Identified to Date	2.831
Financial Gap Remaining	2.410
Risk Assessment of Identified Savings:	
Red	0.106
Amber	1.826
Green	0.899
Total Savings Identified	2.831

- 6.8. It is important to note that the risk profile above covers the whole Partnership and that all areas of service are carrying the risk of failure to deliver savings. 68% of the savings identified across the Partnership are rated amber or red in terms of deliverability. However, for in-scope health services there are also unidentified savings of approximately £2.6m, including the Set Aside. This position has also been reflected in the financial reports to the Health Board which have highlighted that delivery of financial balance for 2019/20 remains at risk, with requirement to accelerate identification and delivery of cost improvement schemes. In line with the arrangements set out in paragraph 3.3, the Partnership will continue to liaise with colleagues in NHS Forth Valley to gain assurance over the financial position.

7. RISK SHARING AND DUE DILIGENCE

- 7.1. The finance report to the June 2019 IJB recommended that the Partnership request Partners agreement that the risk sharing agreement in operation for 2018/19, would continue to be adopted for 2019/20. The IJB accepted the recommendation to approach Partners, albeit concerns were raised about the nature of the risk sharing agreement and there was a recognition that further work was required in this area.
- 7.2. Preliminary discussions have been held with the Director of Finance for NHS Forth Valley and the Chief Finance Officer for Falkirk Council. Falkirk Council officers have indicated that for 2019/20, they consider it appropriate to maintain the risk sharing agreement adopted for 2018/19.
- 7.3. NHS Forth Valley is reviewing the risk sharing arrangements in place across Forth Valley and will develop a proposal for consideration by Falkirk Council and the IJB. In the meantime, work will continue to find a proposal that all parties can agree. Finance reports to the Health Board have noted this area as a key risk in managing the financial position for NHS Forth Valley.
- 7.4. As part of the due diligence work on the transfer of operational management for in scope health services to the Partnership, a full review of the budgets transferring is necessary, including:
- Identification of the budgets linked to the services transferring
 - An understanding of the make up of these budgets
 - An understanding of financial performance against these budgets
 - A risk assessment
 - Associated savings plans
- 7.5. At the time of writing this report, work is ongoing to pull this information together. Given the number of staff involved in the transfer of services and the complexity of the budgets, some of which straddle 2 IJBs, a large amount of work is required to provide this information. It is anticipated that once this is received, it will form part of the wider due diligence work required on the services which will transfer.

8. RESERVES

- 8.1. As at 31st March 2019 the IJB had £6.938m of reserves, subject to external audit. An analysis of these reserves and their projected balance at the end of the year is included at Appendix 5.
- 8.2. The March 2019 budget report set out plans for the use of reserves. More information on some earmarked reserves is set out in the paragraphs below.

Leadership Funding

- 8.3. The balance of Leadership Funding as at 31 March 2019 was £1.390m. This has been supplemented by a further £1m allocation in 2019/20, giving an available balance of £2.390m.
- 8.4. Projected spend against the available funds for 2019/20 is as follows:

Table 6

	£m
Funds Available	2.390
ADL Smartcare	(0.034)
LIST Analysts	(0.070)
Day Care – Younger Adults	(0.125)
3 x Occupational Therapists	(0.145)
Performance & Information Support	(0.022)
Digital Media Assistant	(0.004)
High Cost Care Package Reviews	(0.043)
Head of Integration Post	(0.106)
Secretary Post (for HoS)	(tbc)
Total Committed for 2019/20	(0.549)
Current Available Balance	1.841

- 8.5. 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. It is anticipated that the Leadership Fund will be used to address some of capacity gaps within the Partnership.

Integration Funding

- 8.6. The balance of Integration Funding as at 31 March 2019 was £0.630m. 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. In June 2019 the IJB approved the use of £0.200m to progress work on the Recovery, Recuperation and Reablement model and to put in place a clear Organisational Development approach.

Partnership Funding

- 8.7. Partnership Funding covers two areas – Integrated Care Fund and Delayed Discharge monies, both received from the Scottish Government. The balance of Partnership Funding as at 31 March 2019 was £2.350m. This has been supplemented by a further £2.744m allocation in 2019/20, giving an available balance of £5.094m. To date, allocations of £3.370m have been made, leaving an available balance of £1.724m.
- 8.8. Details on funding recommendations for these balances are included in a separate report on Partnership Funding on this agenda. The Partnership Funding report also provides information on the review of all initiatives currently funded by Partnership Funding.

9. DIRECTIONS

- 9.1. 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 6 and 7 to this report. At this point the Directions reflect amendments as a result of changes to funding as set out in section 4.
- 9.2. The Directions have been updated to reflect that the Health Board passes over resource transfer funding to Falkirk Council. Previously this has been shown as spend on health services. However, the funds are actually used to provide social care. This change is also reflected in the figures shown in Appendices 2 and 3.
- 9.3. It is worth confirming that any material changes to policies and service provision which have not been agreed by the IJB would be a breach of the existing Directions. As such, funding will not automatically be provided for such changes, even if the changes cover an in-scope function.

10. CONCLUSIONS

- 10.1. This report provides a projected outturn for the Falkirk Partnership for 2019/20. There remains a significant financial risk to the Partnership and it is not clear at this point how the Partnership will deliver financial balance. The potential failure to deliver savings is the main reason for this risk.
- 10.2. The current projected overspend is mainly a result of pressures in areas which occurred in 2017/18 and 2018/19 which have not been met by recurring means.

- 10.3. The IJB have previously requested further information on risk sharing and due diligence work. Progress, which would inform a report to the IJB, has been slower than anticipated. However, work continues to gather all necessary information.

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. Failure to deploy and plan for these resources appropriately would negatively impact on IJB outcomes and priorities.

Legal & Risk Implications

The main financial risks facing the Partnership are considered in the body of the report. There remains a high risk that the Partnership will not achieve financial balance in 2019/20. Risk sharing discussions are underway but have not been concluded.

The consequences of not achieving financial balance are that partners will have to contribute in accordance with a risk sharing agreement to be determined. Furthermore, failure to plan for and achieve financial stability could undermine the ability to deliver the outcomes in the strategic plan and lead to more short term budget reductions which could negatively impact on service users.

This risk is reflected in the IJB's strategic risk register and is currently rated high.

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.

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Approved for Submission by: Patricia Cassidy, Chief Officer, Falkirk IJB

Author – Amanda Templeman

Date: 8 August 2019

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

APPENDIX 1

FALKIRK IJB - FUNDING CONTRIBUTIONS
FOR PERIOD TO 30/06/19

	Operational £m	Universal £m	Set Aside £m	ASW £m	Integration Funding £m	Resource Transfer £m	Reserves £m	Total £m	
Figure per the Directions	31.460	72.094	26.284	65.926	10.052	11.455	3.744	221.015	Agrees to Budget Report for 20
<i>Recurring December to March</i>									
Minor Adj incl Baseline Uplift	0.177	-	0.017	-	-	-	-	0.194	
Superannuation Uplift	1.101	-	1.009	-	-	-	-	2.110	
<i>April to June Adjustments</i>									
Primary Care Improvement Fund - Tranche 1	0.215	0.907	-	-	-	-	-	1.122	
Mental Health Action 15	0.425	-	-	-	-	-	-	0.425	
Mental Health Outcomes Framework	0.162	-	-	-	-	-	-	0.162	
Health Prevention & Promotion Bundles	0.290	-	-	-	-	-	-	0.290	
Delayed Discharge & Seasonal Pressures	0.105	-	0.050	-	-	-	-	0.155	
Psychological Therapies - Waiting Times	0.217	-	-	-	-	-	-	0.217	
Miscellaneous Adjustments	0.155	0.255	(0.011)	-	-	-	-	0.399	
Less 19/20 Allocations - already in baseline	-	(0.151)	-	-	-	-	-	- 0.151	
Tariff Reduction for Prescribing	-	(0.582)	-	-	-	-	-	- 0.582	
PC Support to GP Practices	-	0.342	-	-	-	-	-	0.342	
GP OOH Fund	-	0.143	-	-	-	-	-	0.143	
Support to Kersiebank	-	0.314	-	-	-	-	-	0.314	
Transfer DOTS from NHS to Universal	-	0.267	-	-	-	-	-	0.267	
Directed Enhanced Services	-	0.848	-	-	-	-	-	0.848	
AMD Primary Care Fellows	-	-	0.130	-	-	-	-	0.130	
Sensory Strategy Grant	-	-	-	0.009	-	-	-	0.009	
Pay Award Adjustment	-	-	-	0.036	-	-	-	0.036	
Primary Care Improvement Fund	-	-	-	-	-	-	0.060	0.060	
PC & MH Transformation Funds	-	-	-	-	-	-	0.010	0.010	
Year to Date Movements	2.847	2.343	1.195	0.045	-	-	0.070	6.500	
FUNDING AS AT 30/06/19	34.307	74.437	27.479	65.971	10.052	11.455	3.814	227.515	

APPENDIX 2

BUDGET MONITORING STATEMENT 2019/20 FOR PERIOD TO 31/07/19

SUMMARY STATEMENT

	Budget	Projected	(Fav)/ Adv
	£m	Outturn	Variance
EXPENDITURE	£m	£m	£m
Adult Social Work Services	87.478	87.478	-
NHS Forth Valley - Set Aside	27.568	28.964	1.396
NHS Forth Valley - Operational & Universal	112.472	114.317	1.845
	<u>227.518</u>	<u>230.759</u>	<u>3.241</u>
INCOME			
Falkirk Council Contribution	65.971	65.971	-
NHS Forth Valley Contribution	136.226	136.226	-
Integration Funding (via Health Boards)	10.052	10.052	-
Resource Transfer (via Health Boards)	11.455	11.455	-
Use of Earmarked Reserves	3.814	3.814	-
	<u>227.518</u>	<u>227.518</u>	<u>-</u>
SURPLUS/(DEFICIT)	<u>-</u>	<u>(3.241)</u>	<u>(3.241)</u>
Transfer from HRA Reserves		-	
Transfer from Capital Reserves		-	
Transfer from Other Reserves		-	
Projected Outturn		(3.241)	

See note 1

Note 1

This figure represents earmarked reserve funds that have been allocated to the budget to date.

The total is made up of:	£m	
Partnership Funding	3.744	Assumes full spend - this may be adjusted
Primary Care Improvement Fund	0.060	
Alcohol & Drug Partnership	0.064	
PC & MH Transformation Funds	0.010	
Transforming Urgent Care	0.075	
	<u>3.953</u>	

BUDGET MONITORING STATEMENT 2019/20
FOR PERIOD TO 30/06/2019










APPENDIX 3

	Falkirk Council			NHS Forth Valley			Total Partnership		
	<u>Budget</u> £m	<u>Projected</u> <u>Outturn</u> £m	<u>(Fav)/ Adv</u> <u>Variance</u> £m	<u>Budget</u> £m	<u>Projected</u> <u>Outturn</u> £m	<u>(Fav)/ Adv</u> <u>Variance</u> £m	<u>Budget</u> £m	<u>Projected</u> <u>Outturn</u> £m	<u>(Fav)/ Adv</u> <u>Variance</u> £m
Care at Home Services									
Care at Home	33.120	34.189	1.069	-	-	-	33.120	34.189	1.069
MECS/Telecare/Telehealth	0.628	0.488	(0.140)	-	-	-	0.628	0.488	(0.140)
Equipment & Adaptations	0.388	0.355	(0.033)	-	-	-	0.388	0.355	(0.033)
Housing Aids & Adaptations	1.200	1.200	-	-	-	-	1.200	1.200	-
Improvement Grants	0.327	0.327	-	-	-	-	0.327	0.327	-
Garden Aid	0.489	0.489	-	-	-	-	0.489	0.489	-
Community Based AHP Services	-	-	-	6.832	6.902	0.070	6.832	6.902	0.070
Care of Elderly Provided Outwith a Hospital	-	-	-	1.211	1.127	(0.084)	1.211	1.127	(0.084)
District Nursing	-	-	-	4.609	4.653	0.044	4.609	4.653	0.044
Community Nursing	-	-	-	0.215	0.215	-	0.215	0.215	-
Palliative Care	-	-	-	0.085	0.085	-	0.085	0.085	-
	36.152	37.048	0.896	12.952	12.982	0.030	49.104	50.030	0.926
Residential/Building Based Services									
Community Hospitals	-	-	-	6.172	6.631	0.459	6.172	6.631	0.459
Residential Care	34.208	34.239	0.031	-	-	-	34.208	34.239	0.031
Housing with Care/Sheltered Accommodation	1.251	1.368	0.117	-	-	-	1.251	1.368	0.117
	35.459	35.607	0.148	6.172	6.631	0.459	41.631	42.238	0.607
Mental Health Services									
Mental Health Inpatient Services	-	-	-	6.994	7.351	0.357	6.994	7.351	0.357
Community Mental Health	1.308	1.193	(0.115)	6.478	6.376	(0.102)	7.786	7.569	(0.217)
Addiction Services	-	-	-	3.257	3.195	(0.062)	3.257	3.195	(0.062)
	1.308	1.193	(0.115)	16.729	16.922	0.193	18.037	18.115	0.078
Respite & Carers Support									
Respite Care	1.367	1.203	(0.164)	-	-	-	1.367	1.203	(0.164)
Carers	0.697	0.684	(0.013)	-	-	-	0.697	0.684	(0.013)
	2.064	1.887	(0.177)	-	-	-	2.064	1.887	(0.177)
Other Care Services									
Assessment & Care Planning	4.742	4.461	(0.281)	-	-	-	4.742	4.461	(0.281)
Day Care Services	4.699	4.357	(0.342)	-	-	-	4.699	4.357	(0.342)
Community Learning Disability	1.019	0.999	(0.020)	0.979	0.874	(0.105)	1.998	1.873	(0.125)
Adult Support & Protection	0.104	0.146	0.042	-	-	-	0.104	0.146	0.042
Sensory Team & Resource Centre	0.507	0.405	(0.102)	-	-	-	0.507	0.405	(0.102)
Voluntary Organisations	0.737	0.696	(0.041)	-	-	-	0.737	0.696	(0.041)
Public Health Promotion	-	-	-	1.274	1.175	(0.099)	1.274	1.175	(0.099)
Continence Services	-	-	-	0.204	0.188	(0.016)	0.204	0.188	(0.016)
Public Dental Service	-	-	-	1.134	1.069	(0.065)	1.134	1.069	(0.065)
	11.808	11.064	(0.744)	3.591	3.306	(0.285)	15.399	14.370	(1.029)
Joint Partnership									
Advocacy	0.096	0.088	(0.008)	-	-	-	0.096	0.088	(0.008)
Joint Loan Equipment Store	0.384	0.384	-	-	-	-	0.384	0.384	-
Joint Partnership Agreements	-	-	-	1.875	1.875	-	1.875	1.875	-
Partnership Funding	-	-	-	3.638	3.638	-	3.638	3.638	-
	0.480	0.472	(0.008)	5.513	5.513	-	5.993	5.985	(0.008)
Universal Services									
Prescribing	-	-	-	37.365	38.908	1.543	37.365	38.908	1.543
Primary Care	-	-	-	37.144	37.406	0.262	37.144	37.406	0.262
	-	-	-	74.509	76.314	1.805	74.509	76.314	1.805
Set Aside (excluding Mental Health)	-	-	-	20.574	21.613	1.039	20.574	21.613	1.039
Management & Support Costs	0.207	0.207	-	-	-	-	0.207	0.207	-
TOTAL	87.478	87.478	-	140.040	143.281	3.241	227.518	230.759	3.241 Note 1







Note 1
£140.040m is made up of:
NHS Forth Valley Contribution
Use of Earmarked Reserves

£m	
136.226	Per Appendix 2
3.814	Per Appendix 2
140.040	

SAVINGS TRACKER 2019/20
FOR PERIOD TO 31/07/19

REF	DESCRIPTOR	PROPOSED SAVING £m	PROJECTED SAVING £m	SHORTFALL £m	RISK RATING		
					RED	AMBER	GREEN
	<i>Efficiencies/Housekeeping</i>						
	Various efficiencies and housekeeping arrangements	0.083	0.077	0.006			
	<i>Prescribing</i>						
	Technical switches, clawbacks and housekeeping	0.129	0.060	0.069			
	Lidocaine plaster review	0.143	0.072	0.071			
	DOACS review	0.093	0.093	-			
	COPD inhaler switch	0.054	0.027	0.027			
	Target over-ordering	0.106	-	0.106			
	Total for Operational & Universal Savings	0.608	0.329	0.279			
	<i>Set Aside</i>						
	To Be Confirmed	-	-	-			
	Total for Set Aside Savings	-	-	-			
	TOTAL NHS SAVINGS	0.608	0.329	0.279			
	<i>Efficiencies/Housekeeping</i>						
1.1	Sickness Absence – Home Care	0.080	0.080	-			
1.2	Sickness Absence – Care Homes	0.070	0.070	-			
1.3	Home Care Efficiencies	0.300	0.300	-			

SAVINGS TRACKER 2019/20
FOR PERIOD TO 31/07/19

REF	DESCRIPTOR	PROPOSED SAVING	PROJECTED SAVING	SHORTFALL		RISK RATING		
						RED	AMBER	GREEN
	<i>Demand Management</i>							
	Older People:							
2.1	Reduce demand on home care	0.350	0.350	-				
2.2	Reduce demand on residential care	0.350	0.350	-				
	Younger Adults:							
2.3	Reduce demand for residential care	0.500	0.300	0.200				
	<i>Service Transformation</i>							
3.1	Older Adult Day Services	0.200	0.200	-				
3.2	Younger Adult Day Services – this saving will flow from the previous redesign of day services for younger adults.	0.100	0.100	-				
	<i>Income</i>							
4.1	Increased income from charging – inflationary uplift of 2.6%	0.273	0.273	-				

TOTAL ADULT SOCIAL CARE SAVINGS

2.223	2.023	0.200
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TOTAL PARTNERSHIP SAVINGS

2.831	2.352	0.479
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SAVINGS SUMMARY

	Savings required per June 2019 report	Savings identified to date	Shortfall	Risk rating of savings identified to date			Total
				RED	AMBER	GREEN	
Falkirk Council	2.000	2.223	- 0.223	-	1.500	0.723	2.223
NHS Forth Valley	3.241	0.608	2.633	0.106	0.326	0.176	0.608

SAVINGS TRACKER 2019/20
FOR PERIOD TO 31/07/19

						RISK RATING		
REF	DESCRIPTOR	PROPOSED SAVING	PROJECTED SAVING	SHORTFALL		RED	AMBER	GREEN
	SAVINGS REQUIRED PER 2019/20 BUDGET REPORT	5.241	2.831	2.410		0.106	1.826	0.899

2.831

FALKIRK HEALTH AND SOCIAL CARE PARTNERSHIP

PROJECTED RESERVES POSITION FOR 2019/20 AS AT 31/07/19

	OPENING BALANCE 01/04/2019 £m	TRANSFERS IN £m	PROJECTED TRANSFERS OUT/SPEND £m	PROJECTED CLOSING BALANCE 31/03/2020 £m
General Reserve	0.316	-	-	0.316
Housing Revenue Account	0.202	-	-	0.202
Capital Grant	0.078	-	(0.078)	-
Sensory Strategy	0.050	0.009	(0.012)	0.047
Services for Survivors	0.112	-	-	0.112
Dementia Innovation Fund	0.200	0.100	-	0.300
British Sign Language Plan	0.011	0.005	(0.005)	0.011
Choose Life	0.023	-	-	0.023
Integration Funding	0.630	-	(0.200)	0.430
Partnership Funding	2.350	3.744	(3.370)	2.724
Leadership Funding	1.390	1.000	(0.550)	1.840
Alcohol & Drugs Partnership	0.063	-	(0.020)	0.043
PC & MH Transformation Funds	0.478	-	(0.478)	-
Transforming Urgent Care	0.245	-	-	0.245
Mental Health Innovation Fund	0.064	-	-	0.064
GP Out of Hours Fund	0.143	-	-	0.143
GP Sub Committees	0.024	-	(0.024)	-
Unscheduled Care	0.140	-	-	0.140
Primary Care Improvement Fund	0.419	-	(0.419)	-
	6.938	4.858	(5.156)	6.640

* Figures based on project allocations; there may be some variation for actual spend.
Spend profile may change based on further applications to the funds.

PUBLIC BODIES (JOINT WORKING) (SCOTLAND) ACT 2014

DIRECTION TO FALKIRK COUNCIL

Direction for Financial Year 2019/20

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 £87.478m to carry out the functions.
3. This direction will remain in force until revoked in full or part by the IJB.

Falkirk Integration Joint Board
6 September 2019

PUBLIC BODIES (JOINT WORKING) (SCOTLAND) ACT 2014

DIRECTION TO FORTH VALLEY HEALTH BOARD

Direction for Financial Year 2019/20

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 £112.472m to carry out the functions in respect of operational and universal services. The Health Board will make use of the sum of £27.568m 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. A further £11.455m will be passed to Falkirk Council in respect of resource transfer funding. £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.