

Agenda Item 10

Following the Public Pound



Falkirk Integration Joint Board – Audit Committee

Date: 6 March 2020

Title: Following the Public Pound

Action: For decision

Executive Summary

1. The purpose of this report to provide the Audit Committee with information about organisations that received funding from Falkirk's Integration Joint Board, via Falkirk Council and NHS Forth Valley during the period 1 April 2018 – 31 December 2019

Recommendations

The IJB Audit Committee is asked to:

2. Note monitoring and performance information for each of the organisation as set out in Appendix 1
3. Approve the contents of this report and refer to the Integration Joint Board for decision regarding the establishment of multi-annual contractual agreements.

Background

4. It is important that the Integration Joint Board (IJB) has a clear understanding that the public money for which it is accountable, is used properly and achieves value for money. It must be possible to trace funds allocated via the Council and Health Board, to where they are ultimately spent – in other words, to 'follow the public pound' across organisational boundaries. 'Following the Public Pound' (FPP) became a mandatory requirement for all Local Authorities in 2005. The principles are however relevant to all public bodies. The application of a combined FPP framework for funds discharged by the IJB ensures that there is proper accountability for public funds, across the Partnership
5. FPP applies to funds that are allocated to arms length and external organisations out with a formal procurement process. These arrangements are generally governed through a contract called a Joint Working Agreement or Service Level Agreement
6. The IJB should have reassurance that budgets are appropriately allocated and that funds are effectively used thereafter. Scrutiny should be commensurate with the level of funds allocated and associated risk. As a minimum, Officers should be able to provide the following information:
 - The level of funding /support provided to each external organisation and how this is being used;

- The reason for entering into an agreement with each external organisation;
- The extent to which the external organisation is delivering services or projects which help achieve HSCP priorities;
- The extent to which performance standards are being met and outcomes achieved;
- Whether the service should continue to be provided by an external body or whether better value for money could be achieved via an alternative mode of delivery;
- The risk arising from working with individual external organisations, in terms of governance,
- If applicable, how strands of funds add value or complement each other without duplication;
- Financial and performance risks and the measures that are in place to mitigate these risks; and
- Any potential landscape changes that could affect the need for the service or the method of service delivery in the future e.g. legislative requirements.

7. In recognition that the role of the IJB is to lead and direct the activity of the HSCP, the below process was approved by the Audit Committee in December 2018. This process provides an adequate level of scrutiny and assurance that funds allocated are being used effectively.

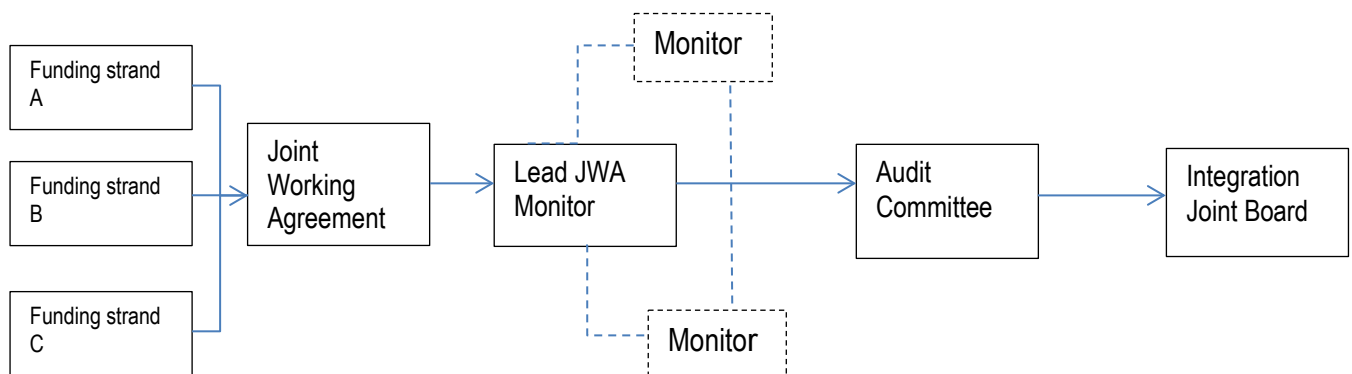


Figure 1

8. It should be noted that the purpose of the annual FPP report is to provide retrospective information about financial and operational performance and impact. This should help inform recommendations regarding future commissioning and budgets. The Audit Committee do not have delegated authority to alter or stop funding. Recommendations should be referred to the IJB.

Organisations Supported in 2018/19 and 2019/20

9. During the financial years 2018/19 and 2019/20, the IJB approved funds via Falkirk Council and NHS Forth Valley, to a number of external and arms length

organisations. Table 1, below provides an overview of organisations included within this report

Organisation	Purpose of Funding	Funding Source		
		FC	NHS	PF
Alzheimer Scotland	Core Funding, Day Care, Post Diagnostic Support	✓		✓
Forth Valley Sensory Centre *5.3	Contribution towards total service operating costs	✓	✓	
FDAMH	Core Funding, Drop-in service, Family Support, Crisis Support, Social Prescribing, Social Spark	✓	✓	✓
Independent Living Association	Contribution towards SDS information service for people with a disability	✓		
Falkirk & Clackmannanshire Carers Centre	Core Funding, Carer Training, Engagement, Short breaks, Support Planning	✓	✓	✓
Citizens Advice Bureaux (Falkirk, Grangemouth & Bo'ness, Denny & Dunipace)	Contribution towards income Maximisation	✓		✓
Forth Valley Rape Crisis	Crisis service	✓		

Key: FC: Falkirk Council, NHS: NHS Forth Valley, PF: Partnership Funding

Table 1: Summary of organisations

10. It should be noted that the funding relationship in place with Forth Valley Sensory Centre (FVSC) differs from other organisations. The resource provided is a partnership arrangement whereby all partners provide an annual contribution towards the total service cost. In addition, HSCP Officers are Board Members. FVSC has been included within this report to ensure visibility for public funds. The monitoring position will be reviewed during the coming year
11. Appendix 1 provides a summary of the purpose and performance for each of the above organisations. Conclusions and recommendations have also been provided, which have been prepared by Council Officers currently identified as leads for Falkirk Council funds. Additional information has been included regarding Partnership Funds or other funds, where known and validated by NHS Forth Valley and/or Partnership Funding leads
12. No significant concerns are noted in relation to services provided by funded organisations during the period 1 April 2018- 31 December 2019. Monitoring Leads have however highlighted a number of areas for development and review, which are set out within Appendix 1. Reviews include the proposal to consider the current funding arrangement in place with Alzheimer Scotland in terms of best value. Monitoring leads will continue to work with organisations, with the support of other expertise within the Partnership, to address development needs
13. One key area for development is the alignment of Joint Working Agreements or Service Level Agreements with strategic commissioning principles. A key principle is that the duration of funding arrangements will, where possible, be

for more than one year. Multi-annual funding arrangements provide stability to organisations and allow for appropriate service planning and the ability to adapt to changes in local service need. Partnership Funds currently operate on a three year investment programme. It is suggested that this approach be adopted for all funding arrangements, unless there is reasonable reason not to do so, for example a short-term pilot/test of change.

14. It should be noted that in line with all contractual arrangements, regular review and evaluation should be included within the terms of the award. Where there is a significant budgetary issue, priorities of the HSCP are no longer being met or there is a persistent deficit in performance, then the HSCP is able to issue a notice period of no less than 90 days

Conclusions

15. It is important that the IJB are able to maintain a clear understanding of how the resources for which they are responsible, are being used across the system. This report provides the IJB with assurance that appropriate and effective monitoring and scrutiny is in place
16. Performance information is also provided for nine organisations (including 3 Citizen Advice Bureaux), for the period 2018/2019 and from 1 April 2019 – 31 December 2019. No significant concerns or issues are noted in relation to services provided by funded organisations, however areas of development have been identified including the introduction of multi-annual funding agreements. Monitoring leads will continue to work with organisations, with the support of other expertise within the Partnership to address development needs

Resource Implications

There are no additional financial resource implications arising. It should be noted that in order to constructively and effectively work with and support partner organisation, there is a significant resource implication on staff within the HSCP. This includes development work, monitoring, financial management and administrative support. In order to maintain a positive relationship with partners, it is important that the Partnership acknowledges and commits the necessary staff resource..

Impact on IJB Outcomes and Priorities

The alignment to, and impact on IJB outcomes and priorities is included within Appendix 1

Legal & Risk Implications

Nil.

Consultation

Lead Officers have worked with each of the individual organisations to generate all information contained in the performance summary report. Full information is available on request

Equalities Assessment

No EPIA has been completed at this time as no service or policy change is proposed.

Report Author

Approved for submission by: Patricia Cassidy, Chief Officer

Author of report – Lesley MacArthur, Integrated Care Fund Coordinator

List of Background Papers

- The Code of Guidance on Funding External Bodies and Following the Public Pound', COSLA and the Accounts Commission in 1996
- Full Following the Public Pound reports for organisations listed within 5.1

Appendices

Appendix 1: Falkirk Health & Social Care Partnership: Funding Overview 2018/19 and April – December 2019

Appendix 2:

Falkirk Health & Social Care Partnership: Funding Overview 2018/19 and April – December 2019

Organisation	Purpose of Funding	HSCP Priority Align	Funding Source				Conclusion & Recommendation
			Y/r	FC £	NHS £	PF £	
Alzheimer Scotland	Support for people with dementia & their carers: Day Care, Post Diagnosis Support & Community Connections	✓	18/19	180,261	-	175,175	<p>Services have been delivered in line with requirements, however there is need for review of provision, particularly in relation to day services to ensure alignment with on going review of Day Care for Older Adults.</p> <p>Whilst quality of service is very good, the number of people being supported is small and value for money is not clear. In addition, work relating to the introduction of Liquid Logic and amended finance systems/payment scheduling process, may mean a requirement to change the commissioning relationship from grant for the Day Care element of service.</p> <p>A single Joint Working Agreement and reporting framework is currently being developed. Financial information provided for JWA indicates that total indirect costs (management and admin) may be as high as 30% of total funding and therefore review of this ongoing.</p>
			19/20	180,261	-	178,680	
Forth Valley Sensory Centre	Contribution towards total service operating costs	✓	18/19	63,840	82,717	-	<p>The service delivers a valuable service, which is evidenced by monitoring information provided.</p> <p>The nature of the support provided requires review in terms of reporting requirements. The Monitoring Lead is currently a Board Member, which is a potential conflict of interest. This arrangement is however appropriate for partnership arrangement in place.</p>
			19/20	60,135	82,717	-	
FDAMH	Contribution towards operating costs and specific delivery e.g. Drop-in, Social Prescribing, Family Support, Counselling, Social Prescribing	✓	18/19	177,777	35'857	154,932	<p>FDAMH has effectively developed services and supported people in line with the outcomes of the HSCP. The demand on the service significantly outweighs capacity. Historical funding arrangements have been challenging for FDAMH in being able to cope with demand making use of specific ringfenced allocations. This is now being reviewed to allow provision in line with evidenced need.</p> <p>A single Joint Working Agreement and reporting framework is currently being developed.</p>
			19/20	177,777	35,857	182,890 PF + 62,840 CF	

Independent Living Association	Costs towards service providing information, advice & planning to people with disabilities and their carers about Self Directed Support Options and how to manage their own support.	✓	18/19	34,124 (inc 6k in kind)	-	-	The organisation has continued to provide a skilled and comprehensive service across the Falkirk area to service users, carers and Partnership staff. They are increasingly aware of the changing landscape of support and the need for the service to evolve to meet the challenges ahead. This includes reshaping the approach to training and support for people commissioning and managing their own support, including employing staff. They continue to engage positively with the Falkirk Council and Falkirk HSCP, as well as other Third Sector and provider organisations, to understand the needs of Falkirk residents accessing their support and services. This enables the Partnership to meet its statutory obligations.
			19/20	40,124 (inc 12k in kind)	-	-	
Falkirk & Clackmannanshire Carers Centre	Contribution towards operating costs and specific services e.g. Carer Training, Engagement, Short breaks, Support Planning	✓	18/19	141,898	47,652	199,520 PF+ 183,064 CF	The Carers' Centre is a key strategic partner and plays a vital role in supporting large numbers of carers in our community. Without which the burden for supporting these carers and the people they care for would fall to the council, at significant cost. The centre has been central to developing our capability to respond to the requirements of the Carers (Scotland) Act 2016, and continues to provide a responsive, high quality service as well as positively contributing as partners to the wider health and social care agenda. A single Joint Working Agreement and reporting framework is currently being developed. NB: Funds for Carers Transferred from NHS to Council in 18/19 (previously Carers Information Strategy Fund), Carers Fund (CF) now included within Partnership Fund (PF) governance process.
			19/20	141,898	47,652	203,510 PF + 254,276 CF	
Citizens Advice Bureaux (Falkirk, Grangemouth & Bo'ness, Denny & Dunipace)	Contribution towards Income Maximisation Services	✓	18/19	28,872	-	-	The role of advice services has significantly increased over recent years, along with the changes to welfare benefits and the impact on wellbeing. The service is currently monitored via Falkirk Council's Corporate Services. HSCP funding is only a small proportion of the Falkirk Council's overall allocation (18/19 £377,664), however this funding was reduced by 14% in 19/20 to £327,664. Corporate Services are leading work to revise the commissioning model. It will be important that HSCP are cited as funding partners in this work to ensure that the future model supports delivery priorities. It should be
			19/20	28,872	-	24,034	

							noted that an additional £24k was awarded to Falkirk CAB for additional advice services for Carers from Carers Funds.
Forth Valley Rape Crisis	Crisis Service	✓	18/19	20,000			The Rape Crisis service continues to provide skilled, specialist support to very vulnerable people during traumatic times and supports Falkirk Council with its gender-based violence commitments. Following a period of instability in 2018/19, the service has a new manager and has been providing services consistent with our requirements over the last financial year.
			19/20	20,000			
			18/19	646,772	166,226	712,691	18/19 Total: £1,525,685
			19/20	649,067	166,226	906,230	19/20 Total: £1,721,523

Key: FC: Falkirk Council, NHS: NHS Forth Valley, PF: Partnership Funding, CF: Carers Fund