



## Item No. 7

Meeting Date

Wednesday 15<sup>th</sup> March 2017

### Glasgow City Integration Joint Board

**Report By:** Sharon Wearing, Chief Officer, Finance and Resources

**Contact:** Sharon Wearing

**Tel:** 0141 287 8838

#### INTEGRATION JOINT BOARD FINANCIAL ALLOCATIONS AND BUDGETS FOR 2017-2018

**Purpose of Report:**

To provide the IJB with a full update on the proposed financial allocations to, and implications for, the IJB Budget in 2017-18.

**Recommendations:**

The Integration Joint Board is asked to:

- a) note the contents of the report;
- b) agree the savings programmes at paragraph 2.4 and 3.12 which will generate £24,814,743 in 2017-18;
- c) note that further options will require to be brought to the June meeting to address the gap of £2,694,257;
- d) agree to accept the delegated Budget from Glasgow City Council for 2017-18;
- e) delegate a budget to Glasgow City Council of:

Gross	£564,463,800
Income	£166,206,800
Net	£398,257,000

and direct that this budget is spent in line with the strategic plan of the Integration Joint Board;

	<p>f) agree to the CFO's recommendation not to accept the 2017-18 delegated Health Budget for the reasons outlined at section 3.9;</p> <p>g) agree to the funding pressures identified at 5.2 and 5.3, resources being allocated from the contingency budget, with the balance being used in the interim to cover the savings gap; and,</p> <p>h) provide an updated report in due course to members on the delegated Health Budget.</p>

### **Relevance to Integration Joint Board Strategic Plan:**

This report describes the financial allocation and budgets made available to the Integration Joint Board for 2017/18 by the Council and NHSGGC; outlines the financial pressures on health and social care services; and, some of the measures we will take to address the financial challenges and priorities facing the partnership as described on page 29, and throughout the Strategic Plan.

### **Implications for Health and Social Care Partnership:**

<b>Reference to National Health &amp; Wellbeing Outcome:</b>	The financial framework for the Partnership contributes to the delivery of the 9 national health and wellbeing outcomes that health and social care partners are attempting to achieve through integration.
<b>Personnel:</b>	Staffing implications are highlighted where appropriate in the report.
<b>Carers:</b>	The current shape of service provision across the system must move to one that also includes an increased use of technology enabled care and other support networks being deployed in care support not just for the service user but also for their unpaid carer. Many of the savings programmes identified in this paper will involve the development of this changed system of service provision.
<b>Provider Organisations:</b>	A report will be brought back to the IJB on the Scottish Living Wage commitment for 2017-18 at its June meeting, this will allow for a full engagement with the provider organisations on the process of distribution, together with a conclusion to the National Care Home Contract negotiations.

<b>Equalities:</b>	No EQIA carried out as this report does not represent a new or revised plan, policy, service or strategy. EQIAs have been undertaken in respect of specific proposals for change to service delivery as indicated within transformational change proposals presented to the IJB.	
<b>Financial:</b>	Financial implications are detailed throughout this report.	
<b>Legal:</b>	The Chief Finance Officer’s duties in Scotland require a balanced budget to be set. This is established in s108(2) of the Local Government (Scotland) Act 1973 and s93(3) of the Local Government Finance Act 1992.  Directions are being issued in line with the legislation.	
<b>Economic Impact:</b>	N/A	
<b>Sustainability:</b>	N/A	
<b>Sustainable Procurement and Article 19:</b>	N/A	
<b>Risk Implications:</b>	Delays in setting the budget may impact on the IJBs ability to achieve financial balance in 2017-18.	
<b>Implications for Glasgow City Council:</b>	The budget is required to be spent in line with the Strategic Plan and the approved directions.	
<b>Implications for NHS Greater Glasgow &amp; Clyde:</b>	There requires to be further discussion with NHS Greater Glasgow & Clyde on a revised budget offer.	
<b>Direction Required to Council, Health Board or Both</b>	Direction to:	
	1. No Direction Required	
	2. Glasgow City Council	✓
	3. NHS Greater Glasgow & Clyde	✓
	4. Glasgow City Council and NHS Greater Glasgow & Clyde	

## 1. Background

- 1.1 The Health Board and Local Authority will delegate functions and make payments to the Integration Joint Board (IJB) in respect of those functions as set out in the Integration Scheme. Additionally, the Health Board will also, "set aside" an amount in respect of large hospital functions covered by the integration scheme.

- 1.2 The IJB will make decisions on integrated services based on the strategic plan and the budget delegated to it. The IJB will publish an Annual Financial Statement setting out the total resources included in the Strategic Plan. The IJB will also give direction and make payment where relevant to the Health Board and Local Authority for delivery of the services in line with the Strategic Plan. This should be completed by 1<sup>st</sup> April each year.

## 2. Financial Allocation from Glasgow City Council

- 2.1 The financial forecast for Glasgow City Council has been updated and identifies a spending gap of £53million for 2017-18. The gap has reduced from £67million, as a result of the letter to councils on 2<sup>nd</sup> February 2017 from Derek Mackay, Cabinet Secretary for Finance and the Constitution, advising that subject to parliamentary approval, £160million (£130million revenue and £30million capital) would be part of the local government settlement to be spent at the discretion of individual Councils. This represents £14.4million in revenue and £2.8million in capital for Glasgow City Council.
- 2.2 The Local Government Finance (Scotland) order 2017 was approved by the Scottish Parliament on 23<sup>rd</sup> February 2017. Key commitments have been identified to be funded through the 2017-18 settlement. A copy of the letter sent to local authorities on 15<sup>th</sup> December 2016 is attached at Appendix A. In relation to Health and Social Care, £107million will be transferred from NHS Boards to Integration Authorities to protect the investment in social care, of which £100million will support continued delivery of the Scottish Living Wage, sleepovers and sustainability in the care sector, and £7million to disregarding the value of the war pensions from financial assessments for social care, and pre-implementation work in respect of the new carers' legislation. This is in addition to the £250million added in the 2016-17 budget, bringing the total support to Integration Authorities to protect social care to £357million. Glasgow City IJB's allocation is £14.17million, which breaks down as follows:

### SUPPORTING SOCIAL CARE

<b>Glasgow Allocation</b>	<b>£</b>
Scottish Living Wage	13,240,000
Veterans/Carers	930,000
<b>Total</b>	<b>14,170,000</b>

### Scottish Living Wage Breakdown

Full year Effect	6,620,000
Sustainability	2,648,000
Increase SLW from £8.25 to £8.45	2,648,000
Sleepover rates	1,324,000
<b>Total</b>	<b>13,240,000</b>

**Other Breakdown**

Veterans	664,286
Carers	265,714
<b>Total</b>	<b>930,000</b>

A report will be brought back to the IJB on the Scottish Living Wage commitment for 2017-18 at its June 2017 meeting; this will allow for a full engagement with the Provider sector on the process of distribution, together with a conclusion to the National Care Home Contract negotiations. The disregard of war pensions from the financial assessment will be implemented from 1<sup>st</sup> April 2017.

- 2.3 To reflect this additional support local authorities will be able to adjust their allocations to Integration Authorities in 2017-18 by up to their share of £80million below the level of budget agreed with their Integration Authority for 2016-17 (as adjusted where agreed for any one-off items of expenditure which should not feature in the baseline). Appendix B confirms the allocation from the Scottish Government of the £80million. Glasgow City will receive £10.59million which was calculated on the basis of GAE/NRAC (Grant Aided Expenditure/NHS Scotland Resource Allocation Committee) shares.
- 2.4 IJB members will recall that at December 2016, the financial allocation and plan indicated a savings allocation of £18.669million from the Council. Work was underway to identify proposals to address the stretch target of £4.872million contained within this allocation. The proposals in relation to the additional savings options which are detailed in Appendix C are as follows:-

**Social Work Stretch Target**

Older People - Reshaping the balance of care with further expansion of our collaborative approach towards Supported Living with a range of registered social landlords, leading to reductions in purchased care home placements.	£1,118,000
Older People - Carers Information Strategy.	£150,000
Older People with a Learning Disability, proposals to extend Personalisation/New Demand review.	£250,000
Adult Services: Non Residential - reduction in spend through Personalisation and application of reconfigured RAS.	£651,000
Adult Services: Residential - reduction in spend through further decommissioning and deregistration.	£1,303,000

Children's Services - Further development and modernisation of continuing care arrangements for young adults to release capacity within formal care arrangements. £1,400,000

**Total £4,872,000**

2.5 In relation to inflation, the following uplifts have been provided for in the financial forecast:

- An uplift of 1% for the pay award.
- Funding for auto-enrolment of staff to the pension scheme from October 2017.

2.6 For Social Work Services this equates to £1.4 million for pay inflation and £1.6million for auto-enrolment part year. In relation to Cordia Services within the scope of the IJB, pay inflation equates to £0.7million and auto-enrolment is £1.5million part year. However, in 2017-18 Glasgow City IJB will have financial pressures in Homelessness as a result of the housing benefit changes to temporary accommodation and the role out of Universal Credit. Also, 2017-18 is the first year of the new Apprenticeship Levy which will be set at 0.5% of pay costs. The Council therefore have agreed to allocate additional budget to the Glasgow City IJB of £2.980million for these pressures.

2.7 On 16 February 2017, the Council agreed its budget for 2017-18. Included within this, the Council has identified appropriate budgets within Social Work Services, Development and Regeneration Services and Land and Environmental Services to be designated as the Council's contribution to the IJB in line with the Integration Scheme.

2.8 The total net budget is £402,901,000 and is as detailed below:-

	<b>Gross</b>	<b>Income</b>	<b>Net</b>
Social Work Services	£560,193,800	£166,206,800	£393,987,000
Development and Regeneration Services Aids and Adaptations	£2,000,000		£2,000,000
Land and Environmental Services Assisted Garden Maintenance	£1,290,000		£1,290,000
Financial Services Apprenticeship Levy	£980,000		£980,000
<b>Total</b>	<b>£564,463,800</b>	<b>£166,206,800</b>	<b>£398,257,000</b>

- 2.9 The letter at Appendix D from the Acting Executive Director of Financial Services confirms the amount.
- 2.10 The services within the Strategic Plan will reflect the budget delegated by the Council. The CFO therefore recommends that the IJB accepts the financial allocation from Glasgow City Council for 2017-18. The net budget direction to the Council will at this stage remain unchanged but may be updated during the year.

### **3. Financial Allocation from NHS Greater Glasgow and Clyde Health Board**

- 3.1 The Scottish Government wrote to Health Boards on 15<sup>th</sup> December 2016 in relation to the Draft Budget for 2017-18 as set out by the Cabinet Secretary for Finance and the Constitution in Parliament that day. The letter is attached at Appendix E. The letter covers the Scottish Government's expectations of the Health Board in relation to the budget and financial implications for Integration Authorities.
- 3.2 In relation to Integrated Services, unscheduled hospital care, primary and community healthcare and social care are delegated to Integration Authorities. For specific aspects of these services, £107million will be transferred from NHS Boards to Integration Authorities to support continued delivery of the Scottish Living Wage, sustainability in the care sector, disregarding the value of war pensions from financial assessments for social care and pre-implementation work in respect of the new carers' legislation. NHS contributions to Integration Authorities for delegated health functions will be maintained at least at 2016-17 cash levels. The Scottish Government expectation is that financial flows to Integration Authorities should be provided in time to allow budgets to be developed by March 2017. The Scottish Government will also be working with Integration Authorities and Health Boards over the next few months to better understand the effectiveness of current arrangements with respect to hospital budget delegation to Integration Authorities, including "set aside" budgets.
- 3.3 Scottish Government expect expenditure in Primary Care and Mental Health to be maintained at 2016-17 levels of expenditure, with any investment provided in-year to be additional to this expenditure. For Primary Care, particular focus should be given to developing and expanding multi-disciplinary teams; sustainability of provision; development of GP clusters; and responsiveness to a new GP contract. For Mental Health, particular focus should be given to developing new models of care and support for mental health in primary care settings; improving the physical health of people with mental health problems, and improving mental health outcomes for people with physical health conditions; reducing unwarranted variation in access and assuring timely access; and developing services that focus on the mental health and wellbeing of children, young people and families, including improved access to perinatal mental health services.

- 3.4 This is part of the Scottish Government's commitment to shift the balance of care, so that by 2021-22 more than half of the NHS frontline spending will be in Community Health Services. Partnerships are expected to continue to invest in prevention and early intervention, particularly in the early years, with the expectation that work will continue to deliver 500 more health visitors by 2018 across Scotland, and to support delivery of agreed service levels for Alcohol and Drugs Partnerships' work, in support of which £53.8million is transferring to NHS Board baselines for delegation to Integration Authorities.
- 3.5 The allocation letter of 18<sup>th</sup> January 2017 (Appendix F) stated that 'NHS contributions to Integration Authorities for delegated health functions **'will be maintained at least at 2016-17 cash levels'**. In simple terms, this means that budgets for allocation from NHS Boards to Integration Authorities for 2017-18 must be at least equal to the recurrent budgeted allocations in 2016-17. The allocation should include the total of the sum set aside for hospital services.
- 3.6 Glasgow City IJB are now responsible for funding its own inflation uplifts and budget pressures. The following areas have been identified that require to be funded in 2017-18;

#### **FUNDING INFLATION & GROWTH**

Pay Inflation	£2.33 m
PPP in contracts	£0.23 m
Prescribing Inflation & Growth (net of savings and rebates)	£4.65 m
Apprenticeship Levy	£0.90 m
Pensions cost RRL Cost from AME Provision	£0.73 m
<b>TOTAL</b>	<b>£8.84 m</b>

The above table does not include any share of the historic unallocated savings discussed below at 3.8.

- 3.7 The Chief Officer received the attached letter at Appendix G from the Chief Executive of the Health Board. There were a couple of areas where clarification was sought after we received further detail on the budget and the allocations from the Scottish Government; subsequently the letter attached at Appendix H was sent to the Chief Executive of the Health Board. The Health Board Chief Executive provided further clarity on the 15<sup>th</sup> February 2017 (Appendix I). The Chief Officer offered to compromise on the pension cost and apprenticeship levy which increased our savings target by £1.63m. This then left the main issue of the allocation of the £7.8million historic savings which was not previously allocated to CHPs/CHCPs and not allocated to the IJB in 2016-17 and by allocating it in 2017-18 will take us below our 2016-17 recurrent budget. It would therefore not be in line with the Scottish Government's directions for the 2017-18 budget. The 15<sup>th</sup> February 2017 letter does not include an indication of the level of set aside budget for 2017-18 which again is required to be maintained at 2016-17 levels. The draft set aside budget for 2016-17 is £120.8million.



- 3.8 Following the NHSGGC private Board meeting of 21<sup>st</sup> February 2017, NHS Board members gave approval, as a compromise, to a revised share of £3.6m of the historic £7.8million undelivered savings should be allocated to the IJBs however; this still means that Glasgow's allocation will be below our 2016-17 recurrent budget level. A final letter of allocation from the NHSGGC Chief Executive has been received by the Chief Officer following the Health Board meeting on 21<sup>st</sup> February 2017 (Appendix J). The table below demonstrates that this would still take us below our 2016-17 budget.

<b>Glasgow City HSCP NHS Budget 2017/18</b>	<b>£m</b>
Opening Budget as per allocation letter 2016/17	615.7
<b>Transfers and allocations during 2016/17</b>	
HR Restructure	-0.7
Gartnavel Royal Hospital PFI transferred to Corporate	-2.4
Property Maintenance transferred to Corporate	-1.4
Utilities transferred to Corporate	-3.5
Other recurring allocations from the Health Board	6.5
<b>Sub Total as per David Williams's response letter to NHS Board</b>	<b>614.2</b>
Rates Transfer to Corporate	-1.9
<b>Recurring Budget position as at Feb 2017</b>	<b>612.3</b>
Unachieved Savings from 2015/16 (Glasgow City share)	-2.0
<b>Offer from the Health Board</b>	<b>610.3</b>

- 3.9 If the IJB allocation for 2017-18 is made on this basis, the CFO's recommendation to the IJB is not to accept the 2017-18 delegated Health Budget for the following reasons:
- the level of budget does not match the cost of delegated services;
  - the level of budget to be allocated falls below the 2016-17 recurring budget level and does not meet the Scottish Government directions to Health Boards in terms of their budget allocations to HSCP's for 2017-18;
  - the historic undelivered savings of £7.8million predate the establishment of the IJB, and did not feature in the due diligence work undertaken by the CFO during 2015-16 and 2016-17; and,
  - none of the three letters from the NHSGGC Chief Executive make any reference to the "set a-side" budget for 2017-18.
- 3.10 There are significant pressures in respect of the prescribing budget. The calculation above is net of Glasgow City IJB's share of assumed discounts and rebates of up to £3.5million and clinically led cost containment plan of £7million. We will require to deliver service savings to address this cost

pressure. Further discussions on how this budget will be managed in 2017-18 and beyond are scheduled for mid-March 2017. However, the outcome of these discussions is that the risks relating to the prescribing budget financial position will transfer to IJBs and any over/underspends will be for the IJB to manage within existing resources. The impact of this change in the current arrangements is significant and will require a prescribing reserve to be established within Glasgow City IJB to draw down when and if required.

- 3.11 Work has been underway through the Integration Transformation Board, chaired by the Chief Officer in relation to the review and reform of services. This is the HSCP officer forum for identifying savings and efficiencies within the services delegated to the IJB.
- 3.12 In relation to the Health element of the budget, the following service reforms and efficiencies have been identified to be redirected to fund the financial uplift required;

#### **Health Service Reform and Efficiencies**

Older People System of Care*	£32,000
Older Adults Inpatient Benchmarking*	£1,100,000
Review of Community Learning Disability Team*	£155,000
Alcohol and Drugs Day Service*	£60,000
Alcohol and Drugs – Review of Prevention and Intervention*	£71,000
Sexual Health Change Programme*	£250,000
Mental Health Unscheduled Care*	£240,000
Primary Care Mental Health Teams*	£150,000
Psychotherapy Services*	£200,000
Psychological Services*	£300,000
Adult Mental Health Inpatient Bed Reform*	£700,000
ESTEEM – Review of Early Intervention for Psychosis Service*	£50,000
Review of Mental Health Drug and Alcohol Recovery Team*	£50,000
Review of Trauma/Post Traumatic Stress Disorder Team*	£78,000
Psychiatric Clinical Information System Review*	£15,000
Review of GIPSI and SPIRIT Staff Supervision and Research*	£80,000
Review of Restart Vocational Training Service*	£50,000
Staff Turnover (including Children's services)	£1,300,000
Older People Mental Health contracted beds	£600,000
Mental Health & Wellbeing – Good Moves	£25,000
Third Sector Transformation Fund	£181,000
Power of Attorney Campaign	£7,265
Dementia Post-Diagnostic Support	£52,009
Dementia Strategy	£27,379
Managed Medication	£26,193
Community Nursing	£51,697
Intermediate Care capacity	£137,000
Responder Services	£105,000
Home from Hospital	£13,500
Better at Home	£18,500
Housing Options for Older People	£5,000

Miscellaneous

£15,200

**TOTAL**

**£6,145,743**

***\*approved at January and February IJB Meetings***

Further detail was provided in the reports to the Integrated Joint Board in January, February and March 2017 meetings. A summary is attached at Appendix K.

- 3.13 Whilst the options above would deliver £6,145,743 in savings, this would leave £2,694,257 of savings to find. This does not include the £2M proposed Glasgow City IJB share of the £3.6M historic 2015/16 unachieved savings. Further options will require to be brought back to the IJB meeting in June 2017 by which time the position on the Prescribing Budget will be clearer. In the meantime the shortfall will be covered by contingency and reserves until 1<sup>st</sup> October 2017 by which time the further options should be able to cover this shortfall. IJB should be aware that given the scale of this continuing gap, it may well be the case that the ability to fully deliver on local and/or national policy directions may be compromised in 2017-18, and that this may impact on the overall performance of the Partnership.

#### **4. Criminal Justice Funding**

- 4.1 The Scottish Government previously made arrangements for the delivery and planning of Community Justice through the Community Justice Authorities (CJA's). The overall objective of the function of Community Justice has been to reduce reoffending through collaborative partnership working.
- 4.2 The funding for the delivery of Criminal Justice Social Work (CJSW) was delivered through the distribution of the grant made by Scottish Government directly to the Glasgow CJA.
- 4.3 The Scottish Government has developed a new model for Community Justice in Scotland which sees Community Planning Partnerships (CPPs) as central to these arrangements, effective from the 1<sup>st</sup> April 2017. The National body to oversee this will be Community Justice Scotland and the focus is on delivering wider community based solutions in respect of reducing re-offending and offender management.
- 4.4 In conjunction with the disaggregation of Community Justice Authorities the funding for Local Authority CJSW services will now come into the HSCP from Central Government. This budget will continue to be ring fenced solely for the provision of criminal justice social work services.
- 4.5 With the new arrangements comes a new funding formula, which will be phased in over a 5 year period with the maximum loss being no more than 5% in year 1, rising 5% per year up to a maximum of 25%. This approach will also see any increases in funding phased in as funds are released.

- 4.6 The 2017-18 allocation letter received on 23 December 2016 informed that Glasgow City HSCP funding would be set at £17,693,897, a decrease of £832,784 or 4.8% from the 2016-17 figure of £18,526,681. Work is underway to manage the service within the reduced allocation. Within the local government settlement the Community Justice Social Work grant is now being treated as ring fenced, and as such requires to be shown within the General Fund and not within the income budget for Social Work, as was previously the case. This is purely a technical change with regard to how this grant is reported in order to match with the settlement circular.

## **5. Budget Pressures**

- 5.1 Glasgow has approximately 1,300 children residing in formal kinship placements. Kinship care placements can offer extensive stability and enhance the care experience for children, with less placement breakdown whilst retaining a strong sense of family identity. A project to upscale the numbers of children looked after in this way is being progressed in the North East of the city. This involves changing the way we source extended family members and support new family arrangements by deploying genealogy services and adopting the model of family group decision making. This will become a pre-requisite when considering alternative care arrangements for all children.
- 5.2 In addition, we are re-aligning the care management function in supporting kinship care placements, drawing on the expertise of third sector organisations. To date, 100 placements within the North East are being managed in this way with estimated costs in the North East for third sector management of kinship care placements of £70,000 for the full year. If successful, and if this proposal were rolled out across the city, full year costs would therefore be in the order of £300,000. It would be our intention to fund this expenditure from the contingency budget.
- 5.3 We currently have a budget pressure in respect of payments to young people who are leaving care. In the main these are young people with no entitlement to benefits, who need assistance to purchase basic household items in order to establish a tenancy in alternative accommodation. It is estimated that there will be an ongoing requirement for additional costs of £600,000 in this regard. It would be our intention to fund this expenditure from the contingency budget.
- 5.4 This leaves a balance in contingency of £2,600,000 which will be used to manage the shortfall in savings highlighted at 3.13, at this point in time.

## **6. Scottish Government Priorities for IJBs 2017-18**

- 6.1 On 15 December 2016, the Scottish Government and COSLA wrote to all Chief Officers to clarify the impact on IJBs of the Scottish Government budget announcement of 15 December 2016. This letter (Appendix L) also set out

their expectations in terms of IJB's priorities for 2017-18 which are summarised below:

- i) Reduce occupied hospital bed days associated with avoidable admissions and delayed discharges, focusing investment in care alternatives that can help people to continue living independently in their own homes and communities for as long as possible.
- ii) Increase provision of good quality, appropriate palliative and end of life care, particularly in people's own homes and communities and also, where appropriate, in hospices, so that people who would benefit from such care access it.
- iii) Enhance primary care provision, with particular focus on developing and expanding multidisciplinary teams; sustainability of provision; development of GP clusters; and responsiveness to a new GP contract.
- iv) Reflect delivery of the new Mental Health Strategy, with particular focus on developing new models of care and support for mental health in primary care settings; improving the physical health of people with mental health problems, and improving mental health outcomes for people with physical health conditions; reducing unwarranted variation in access and assuring timely access; and developing services that focus on the mental health and wellbeing of children, young people and families, including improved access to perinatal mental health services.
- v) Where children's services are integrated, continue to invest in prevention and early intervention, particularly in the early years, with the expectation that work will continue to deliver 500 more health visitors by 2018.
- vi) Support delivery of agreed service levels for Alcohol and Drugs Partnerships' work, in support of which £53.8million is transferring to NHS Board baselines for delegation to Integration Authorities.
- vii) Ensure provision of the living wage to adult care workers and plan for sustainability of social care provision.
- viii) Continue implementation of Self Directed Support.
- ix) Prepare for commencement of the Carers (Scotland) Act 2016 on 1<sup>st</sup> April 2018.

6.2 The Ministerial Strategic Group for Health and Community Care provides the forum for joint political oversight of progress with integration by Scottish Ministers and COSLA. The Group has recently considered its requirements in

terms of understanding progress on integration. This will take forward work involving Scottish Government officials, COSLA, Chief Officers, and colleagues at NHS NSS leading on the Source and LIST data projects, to establish a suite of appropriate metrics for the Group's routine consideration. It will include agreeing data definitions and an appropriate methodology via which Integration Authorities can share their objectives for progress in 2017-18 and beyond.

## **7. Conclusion**

- 7.1 The council has allocated a net budget of £398,257,000 to the IJB for 2017-18. The budget allocation from the Health Board does not comply with the direction of the Scottish Government. Currently we have unidentified savings of £2,694,257 and will require further proposals to be brought back to the June meeting. The Integration Joint Board's risk register has been updated to reflect the risks highlighted in this report.

## **8. Recommendations**

- 8.1 The Integration Joint Board is asked to:

- a) note the contents of the report;
- b) agree the savings programmes at paragraph 2.4 and 3.12 which will generate £24,814,743 in 2017-18;
- c) note that further options will require to be brought to the June meeting to address the gap of £2,694,257;
- d) agree to accept the delegated Budget from Glasgow City Council for 2017-18;
- e) delegate a budget to Glasgow City Council of:

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and direct that this budget is spent in line with the strategic plan of the Integration Joint Board;

- f) agree to the CFO's recommendation not to accept the 2017-18 delegated Health Budget for the reasons outlined at section 3.9;
- g) agree to the funding pressures identified at 5.2 and 5.3, resources being allocated from the contingency budget, with the balance being used in the interim to cover the savings gap; and,

- h) provide an updated report in due course to members on the delegated Health Budget.

## DIRECTION FROM THE GLASGOW CITY INTEGRATION JOINT BOARD

1	Reference number	150317-7-a
2	Date direction issued by Integration Joint Board	Wednesday 15 March 2017
3	Date from which direction takes effect	Wednesday 15 March 2017
4	Direction to:	Glasgow City Council NHS Greater Glasgow and Clyde
5	Does this direction supersede, amend or cancel a previous direction – if yes, include the reference number(s)	No
6	Functions covered by direction	Budget 2017-18
7	Full text of direction	<p>Glasgow City Council is directed to spend the delegated net budget of £398,257,000 in line with the Strategic Plan.</p> <p>The Chief Officer will write to the Chief Executive of NHS Greater Glasgow &amp; Clyde Board to advise him that his budget offer, as at 21<sup>st</sup> February, was not accepted by the IJB. NHSGGC is directed to conduct further discussion on a budget offer that complies with the requirements at 3.9 of this report.</p>
8	Budget allocated by Integration Joint Board to carry out direction	The budget delegated to Glasgow City Council as per this report.
9	Performance monitoring arrangements	The budget will be monitored through standard budget monitoring arrangements.
10	Date direction will be reviewed	April 2017



Cabinet Secretary for Finance and the Constitution  
Derek Mackay MSP



Scottish Government  
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Councillor David O'Neill  
COSLA President  
Verity House  
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Copy to: The Leaders of all Scottish local authorities

15 December 2016

Dear David

Thank-you to you, Cllr Cook and the COSLA political leadership for participating in negotiations over recent weeks on the shape of the Local Government settlement for 2017-18. I have sought to engage with you and your team on the basis of openness and mutual respect and with the intention of building relationships around shared ambitions for people and communities.

As a result of these negotiations, I am able to set out the package of proposals below which I believe are a fair and reasonable offer that delivers on our shared ambitions. This letter, therefore, contains proposals for the local government finance settlement for 2017-18 resulting from the 2016 Budget process.

While the terms of the settlement have been negotiated through COSLA on behalf of its member councils, the same proposal is being offered to those councils who are represented by the Scottish Local Government Partnership. I believe this proposal opens the way for a new partnership between the Scottish Government and COSLA and, from that, the wider benefits of partnership working, including joint work on public service reform.

The Scottish Government and local government share the same ambitions for stronger communities, a fairer society and a thriving economy. This funding proposal delivers a fair financial settlement for local government, which will be strengthened by our joint working to improve outcomes for local people by improving educational attainment and through health and social care integration.

Following the work of the joint Settlement and Distribution Group, details of the indicative allocations to individual local authorities for 2017-18 are also being published today as set out in Local Government Finance Circular No. 9/2016.

I have carefully considered the representations made to me by COSLA and this is reflected in the detail of the settlement and the package of measures included in this letter.



My aim throughout our extensive discussions has been to reach an agreement with councils around the implementation of these commitments. I now invite local authorities to agree the terms of the settlement which are set out below.

Under the settlement we will look to all local authorities to work in partnership with the Scottish Government in pursuit of our Joint Priorities, including delivery of the Government's programme as set out in *A Plan For Scotland: The Scottish Government's Programme For Scotland 2016-17* published on 6 September and the *Draft Budget 2017-18*.

Renewing our partnership approach will enable close working on public service reform building on recent joint political and joint officer discussions.

On key priorities and following consideration of specific points you have raised I propose the following:

### **Public Service Reform**

As an essential partner in the delivery of public services, the Cabinet sub-committee on Public Service Reform prioritised early discussion with COSLA to explore how we might work together around our shared priorities of health & social care, education attainment & governance, tackling inequalities & inclusive growth and enterprise, innovation, skills & employability. This political engagement and the productive discussions which followed at official level, including SOLACE, is an example of what we can achieve through a re-setting of partnership working at national level.

The Cabinet sub-committee anticipates further dialogue with COSLA on these emerging themes early in the New Year.

### **Health and Social Care**

In 2017-18 an additional £107 million will be transferred from NHS Boards to Integration Authorities to protect our collective investment in social care. Of which, £100 million will support continued delivery of the Living Wage, sleepovers and sustainability in the care sector, and £7 million to disregarding the value of war pensions from financial assessments for social care and pre-implementation work in respect of the new carers legislation. This is additional to the £250 million added in the 2016-17 budget, bringing the total support available from the NHS through Integration Authorities to protect social care to £357 million. NHS contributions to Integration Authorities for delegated health functions will be maintained at least at 2016-17 cash levels. The provision included for sleepovers (£10 million) will be reviewed in year to consider its adequacy, with a commitment to discuss and agree how any shortfall should be addressed. To reflect this additional support local authorities will be able to adjust their allocations to integration authorities in 2017-18 by up to their share of £80 million below the level of budget agreed with their Integration Authority for 2016-17 (as adjusted where agreed for any one-off items of expenditure which should not feature in the baseline). Taken together, these measures will enable Integration Authorities to ensure the collective overall level of funding for social care is maintained at £8 billion. I am sure you would agree that that would be a significant achievement and reflects the shared priorities of local government, the NHS and the Scottish Government.

## Education (including the Attainment Fund)

I have considered the representations made on the Scottish Government proposals to adjust the local government settlement to pave the way for an additional £100 million investment per year, generated through reform of council tax, to go directly to schools to close the gap in the educational attainment of young people from Scotland's most and least deprived areas.

I can now confirm that provision for the additional funding to meet our commitments on the Attainment Fund will be met directly from the resources available to the Scottish Government at a national level, rather than from an adjustment to the local government finance settlement.

As the next step towards investing £750 million over the life of this Parliament we will go further than our manifesto commitment and will increase the additional resource to be made available directly to schools through the Attainment Scotland Fund from £100 million to £120 million in 2017-18. This will be paid as a ring fenced grant and distributed on the basis of P1 to S3 pupils known to be eligible for free school meals, as part of the local government settlement.

It is a condition of this agreement that this funding is additional to each council's individual spending on schools rather than substitutional and is to be used at the discretion of schools to close the attainment gap between children from the least and most deprived areas within their communities. This is on top of the existing £50 million Attainment Scotland funding that will continue to provide targeted support for those authorities and schools supporting children and young people in greatest need.

In addition, we will continue to require local authorities to maintain the overall pupil:teacher ratio at 2016-17 levels as reported in the Summary of School Statistics published on 13 December 2016, and secure places for all probationers who require one under the teacher induction scheme. This is supported by a continued funding package of £88 million, made up of £51 million to maintain teacher numbers and £37 million to support the teacher induction scheme.

As previously made clear, all of the additional £111 million of Council Tax income raised by the Council Tax banding reforms we have implemented will be retained by each local authority area and, as a result of these decisions, the allocation of that funding will be for councils themselves to take based on their own local needs and priorities.

## Local Taxation

2016-17 was the ninth consecutive year of the Council Tax freeze. As we have made clear this will be lifted from 2017-18, when Councils will have greater flexibility and may choose to increase Council Tax by up to a maximum of 3%. This local discretion will preserve the financial accountability of local government, whilst also potentially generating up to £70 million to support services.

Our reforms of Council Tax are only the first steps, and the Scottish Government is fully committed to further engagement with COSLA as we seek to make local taxation as a whole fair and progressive. We will work with COSLA to consider your objectives for local tax reform as set out in the Local Government Funding Review.

We will also deliver our commitment for local government to retain the net incomes from the Crown Estate for the benefit of island and coastal communities. In addition we will explore with authorities other opportunities for the development of fair and equitable local taxation that supports economic growth and public services.

## Overall Settlement

As a result of the measures above, the total revenue funding for 2017-18 will be £9,496.4 million, which includes non-domestic rates incomes in 2017-18 of £2,605.8 million.

Capital funding is set at £756.5 million and delivers on our agreed commitment to maintain the local government share of the overall Scottish Government capital budget. I can also reaffirm the commitment to repay £150 million of re-profiled 2016-17 capital with an additional allocation in the period 2018-20.

The total funding which the Scottish Government will provide to local government in 2017-18 through the settlement, including the £120 million of additional support for educational attainment, is £10,252.9 million.

This is a fair settlement for Local Government.

With the addition of the real spending power that comes from the opportunity to raise up to an additional £181 million from Council Tax plus an additional £107 million to support the integration of Health and Social Care, the total spending power available to local authorities from the Scottish Government, and through local taxation will be up to £10,541 million, a total of £241 million more than was available in 2016-17, an increase of around 2.3%.

The difference between the figures reported in the Draft Budget in 2016-17 and 2017-18 will be potential spending on local government services of an increase of £266.8 million, or 2.6%.

In return for this settlement and in pursuit of our Joint Priorities, individual local authorities will deliver the specific commitments set out above.

## Engagement

In line with our partnership approach we will work jointly with local government to support delivery of these commitments and undertake a review to monitor progress at an agreed mid-point in the year.

The measures set out in the settlement offer must be viewed as a package to protect our shared priorities and intensify a journey of reform. In order to access all of the benefits involved, including those priorities supported by specific financial benefits, local authorities must agree to deliver all of the measures set out in the package and will not be able to select elements of the package.

Any individual authority not intending to agree the offer and accept the full package of measures and benefits should write to me by no later than **Friday 13 January 2017**. For those authorities not agreeing the offer a revised, and inevitably less favourable, offer will be made.

Local government is essential to the health, wellbeing and prosperity of every community in Scotland. The Scottish Government are committed to work together in partnership with local authorities to do all that we can to support local authorities to ensure that the full package of agreed measures is delivered.

*John* *St* *Derek Mackay*  
**DEREK MACKAY**

Health and Social Care Integration Directorate  
Geoff Huggins, Director



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Chief Executives, Local Authorities

Copied to:  
Chief Officers, Integration Authorities  
Directors of Finance, Local Authorities  
Chief Finance Officers, Integration Authorities  
NHS Board Directors of Finance

18 January 2017

Dear Colleagues

### **Draft Budget 2017-18**

As you know, as part of the 2017-18 draft budget additional provision of £107 million will be transferred from NHS Boards to Integration Authorities to support social care.

To reflect this additional support from Health Boards to Integration Authorities, Local Authorities will be able to adjust their allocations to Integration Authorities in 2017-18 by up to their share of £80 million below the level of budget agreed with their Integration Authority for 2016-17 (as adjusted where agreed for any one-off items of expenditure which should not feature in the baseline). This approach provides each Local Authority with flexibility on how best to use their resources, with no presumption on how this flexibility will be exercised locally - the decision will be a matter for local determination based on local needs and requirements.

Annex A provides the share of this £80 million per Local Authority area. Shares have been calculated on the basis of GAE/NRAC, as they also have for shares of the £107 million due from Health Boards to Integration Authorities.

Yours faithfully

**GEOFF HUGGINS**

Share of up to £80 million available to local authorities to offset their allocations to Integration Authorities.

Local Authority	Composite Shares	Share of up to £80m
Aberdeen City	3.9%	3.09
Aberdeenshire	3.9%	3.10
Angus	2.1%	1.70
Argyll & Bute	1.8%	1.45
Clackmannanshire	1.0%	0.77
Dumfries & Galloway	3.0%	2.42
Dundee City	3.0%	2.44
East Ayrshire	2.5%	1.97
East Dunbartonshire	1.7%	1.37
East Lothian	1.8%	1.41
East Renfrewshire	1.4%	1.15
Edinburgh City	8.1%	6.52
Eilean Siar (Western Isles)	0.7%	0.52
Falkirk	2.8%	2.27
Fife	6.7%	5.34
Glasgow City	13.2%	10.59
Highland	4.3%	3.48
Inverclyde	1.8%	1.41
Midlothian	1.5%	1.16
Moray	1.6%	1.30
North Ayrshire	2.9%	2.34
North Lanarkshire	6.5%	5.21
Orkney Islands	0.4%	0.35
Perth & Kinross	2.6%	2.09
Renfrewshire	3.5%	2.78
Scottish Borders	2.1%	1.69
Shetland Islands	0.4%	0.34
South Ayrshire	2.3%	1.85
South Lanarkshire	6.0%	4.83
Stirling	1.5%	1.23
West Dunbartonshire	1.9%	1.56
West Lothian	2.9%	2.29
<b>Total</b>	<b>100.0%</b>	<b>80.00</b>

2017-18 Stretch Target - Budget Options

Budget	Option Ref	Budget proposal description	Transformation Theme	17/18 Additional Saving (£'000)
	1	OP - Reshaping the balance of care - further expansion of our collaborative approach towards Supported Living with a range of registered social landlords, leading to reductions in purchased care home placements.	Procurement in a technical sense because our transformation of health and social care in older people's services enables us to be less dependant on the purchase of residential/nursing care places.	1,018
	2	OP - Carers Information Strategy	A Lean approach by provider organisations allows us to reduce spend within that sector	150
	3	OP - LD Personalisation New Demand review >65	Procurement in a technical sense because the extension of Personalisation with this client group allows us to purchase different services from different providers	250
	4	OP - PD Personalisation	Procurement in a technical sense because the extension of Personalisation with this client group allows us to purchase different services from different providers	651
	5	OP - Redesign of Sheltered Housing	A redesign of services by provider organisations taking a Lean approach allows us to reduce spend within that sector	100
	6	Adult Services: Non Residential - reduction in spend through personalisation and application of reconfigured RAS, and Residential - reduction in spend through further recommissioning and deregistration	Procurement in a technical sense because the extension of Personalisation with this client group allows us to purchase different services from different providers	1,303
	7	Children's Services - Further development and modernisation of continuing care arrangements for young adults to release capacity within formal care arrangements	Procurement in a technical sense because our transformation of health and social care in services for accommodated children and young people enables us to be less dependant on the purchase of residential/fostering care places.	1,400
	<b>Total</b>			<b>4,872</b>
	<b>Stretch Target</b>			
	<b>Variance</b>			





Financial Services  
Glasgow City Council  
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Phone 0141 287 3837  
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3 March 2017

David Williams  
Executive Director Social Care Services/Chief Officer Glasgow City HSCP  
Commonwealth House  
32 Albion Street  
Glasgow  
G1 1LH

Dear David

In light of the budget approved by the Council on 16 February 2017 I can confirm that the Council's 2017-18 contribution to the Glasgow Health and Social Care Partnership amounts to £398,257,000 in relation to the comments contained within your strategic plan.

Yours sincerely

Morag Johnston  
Acting Executive Director of Financial Services

## Scottish Government Compliance Test

		£m	£m
Limit			10.590
Savings			
Social Work 2016-17 FYE		-9.547	
Cordia 2016-17 FYE		-4.250	
Social Work Stretch		-4.872	-18.669
Pressures			
Social Work	Inflation	1.353	
	Auto Enrolment	1.561	
	Apprenticeship levy	0.718	3.632
Cordia	Inflation	0.735	
	Auto Enrolment	1.509	
	Apprenticeship Levy	0.262	2.506
Homelessness Funding			2.000
Revised total			-10.531
Net Difference			<b>0.059</b>



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Robert Calderwood  
Chief Executive  
NHS Greater Glasgow and Clyde

Copy to: Chair  
Director of Finance

***Issued via email***

Our Ref: A16253777

15 December 2016

Dear Mr Calderwood

**Draft Budget 2017/18 – Indicative Allocation**

**Following the Scottish Government's Draft Budget for 2017/18 as set out by the Cabinet Secretary for Finance and the Constitution in Parliament today, baseline allocations for NHS Greater Glasgow and Clyde for 2017/18 total £2,123.3 million. A breakdown of the total is provided in the annex to this letter.**

Letters have also been sent to Local Authorities and Integration Authorities (copies attached) covering the Scottish Government's expectations of those organisations in relation to the budget; therefore please take this and the other two letters into account to ensure a full understanding of the financial position and its implications for your responsibilities for the coming year.

In addition to this investment within NHS Greater Glasgow and Clyde we will be investing a further £128 million across NHSScotland in reform of our services. This includes investment in primary care and mental health care, which are delegated to Integration Authorities, and cancer services. This is a significant investment in our NHS, taking our total resource spend to £10.7 billion.

The Board's Local Delivery Plan (LDP) for 2017/18 should set out your plans to deliver the priorities contained in the Draft Budget. Full LDP guidance will follow shortly and this will incorporate guidance on a Regional planning and delivery approach.

**Integrated Services**

Unscheduled hospital care, primary and community healthcare and social care are delegated to Integration Authorities, as covered in the attached letter. In relation to specific aspects of these services (Supporting Social Care; Enhancing Primary Care and Mental Health Provision; Prevention and Early Intervention; and Alcohol and Drugs Partnerships), you will wish to note:

**Supporting Social Care**

£107 million will be transferred from NHS Boards to Integration Authorities to support continued delivery of the Living Wage, sustainability in the care sector, disregarding the value of war pensions from financial assessments for social care and pre-implementation work in respect of



the new carers' legislation. This is additional to the £250 million added in the 2016/17 budget, bringing the total support available for social care from the NHS to £357 million. NHS contributions to Integration Authorities for delegated health functions **will be maintained at least at 2016/17 cash levels**. The £10 million included for sleepovers will be reviewed in-year to consider its adequacy with a commitment to discuss and agree how any shortfall should be addressed. To reflect this additional support provided through the NHS, local authorities will be able to adjust their allocations to integration authorities in 2017/18 by up to their share of £80 million below the level of budget agreed with their Integration Authority for 2016/17 (as adjusted where agreed for any one-off items of expenditure which should not feature in the baseline). Financial flows to Integration Authorities should be provided in time to allow budgets to be developed by March 2017. We will be working with Integration Authorities and Health Boards over the next few months to better understand the effectiveness of current arrangements with respect to hospital budget delegation to Integration Authorities, including "set aside" budgets.

#### Enhancing Primary Care and Mental Health Provision

Expenditure in Primary Care and Mental Health should be maintained at 2016/17 levels of expenditure, with any investment provided in-year to be additional to this expenditure. For Primary Care, particular focus should be given to developing and expanding multi-disciplinary teams; sustainability of provision; development of GP clusters; and responsiveness to a new GP contract. For Mental Health, particular focus should be given to developing new models of care and support for mental health in primary care settings; improving the physical health of people with mental health problems, and improving mental health outcomes for people with physical health conditions; reducing unwarranted variation in access and assuring timely access; and developing services that focus on the mental health and wellbeing of children, young people and families, including improved access to perinatal mental health services. This is part of our commitment to shift the balance of care, so that by 2021/22 more than half of the NHS frontline spending will be in our Community Health Service.

#### Prevention and Early Intervention

Continue to invest in prevention and early intervention, particularly in the early years, with the expectation that work will continue to deliver 500 more health visitors by 2018.

#### Alcohol and Drugs Partnerships

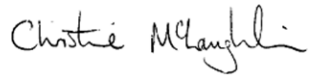
Support delivery of agreed service levels for Alcohol and Drugs Partnerships' work, in support of which £53.8 million is transferring to NHS Board baselines for delegation to Integration Authorities.

#### **Sustainability & Value**

In achieving greater sustainability & value from our NHS, the Board should produce detailed plans to minimise waste, reduce variation, to standardise and to share including:

- Implementation of the Effective Prescribing programme;
- A quality and cost assessed improvement plan to respond to Productive Opportunities identified from benchmarked performance;
- Reducing medical and nursing agency and locum expenditure as part of a national drive to reduce this spend by at least 25% in-year; and
- Implementation of opportunities identified by the national Shared Services Programme.

Your plan should be supported by a Financial Strategy for the next three years, setting out plans for investment, sustainability and reform, to ensure best use of available resources.



**CHRISTINE MCLAUGHLIN**  
Director of Health Finance  
Scottish Government

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Health and Social Care Integration Directorate  
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To: NHS Board Directors of Finance

CC: Chief Officers, Integration Authorities  
Chief Finance Officers, Integration Authorities  
Chief Executives, Local Authorities  
Directors of Finance, Local Authorities

18 January 2017

Dear Colleagues

Following discussion at the recent NHS Directors of Finance meeting and Chief Finance Officer network, this letter provides some further detail in relation to budgets for health and social care for 2017-18.

The allocation letter of 15 December (copy attached) stated that 'NHS contributions to Integration Authorities for delegated health functions **'will be maintained at least at 2016-17 cash levels'**. In simple terms, this means that budgets for allocation from NHS Boards to Integration Authorities for 2017-18 must be at least equal to the recurrent budgeted allocations in 2016-17. The allocation should include the total of the sum set aside for hospital services.

The £107 million funding from health budgets for supporting social care is to be treated as an additional allocation to this minimum budget. The individual shares of the additional £107 million for each partnership are set out in the attached annex.

As stated in the Draft Budget, £100 million of the £107 million is provided for in NHS Boards baseline allocation. The £7 million relating to war pensions and pre-implementation work for the Carers Act, will be allocated separately.

A separate letter (attached) has been sent to Local Authorities, setting out their shares of up to £80 million potential flexibility for Local Authority allocations to Integration Authorities.

Yours sincerely

**GEOFF HUGGINS**  
Director for Health & Social Care Integration

**CHRISTINE MCLAUGHLIN**  
Director of Health Finance

## ANNEX A

	GAE/NRAC share	Baseline Share £m	Additional allocation (Veterans/Carers) £m
East Ayrshire	2.46%	2.46	0.17
North Ayrshire	2.92%	2.92	0.21
South Ayrshire	2.31%	2.31	0.16
<b>Ayrshire &amp; Arran</b>	<b>7.70%</b>	<b>7.70</b>	<b>0.54</b>
<b>Borders</b>	<b>2.11%</b>	<b>2.11</b>	<b>0.15</b>
<b>Dumfries &amp; Galloway</b>	<b>3.02%</b>	<b>3.02</b>	<b>0.21</b>
<b>Fife</b>	<b>6.68%</b>	<b>6.68</b>	<b>0.47</b>
Clackmannanshire/Stirling	2.49%	2.49	0.18
Falkirk	2.84%	2.84	0.20
<b>Forth Valley</b>	<b>5.33%</b>	<b>5.33</b>	<b>0.38</b>
East Dunbartonshire	1.72%	1.72	0.12
East Renfrewshire	1.44%	1.44	0.10
Glasgow City	13.24%	13.24	0.93
Inverclyde	1.76%	1.76	0.12
Renfrewshire	3.48%	3.48	0.24
West Dunbartonshire	1.95%	1.95	0.14
<b>GG&amp;C</b>	<b>23.58%</b>	<b>23.58</b>	<b>1.65</b>
Aberdeen City	3.86%	3.86	0.27
Aberdeenshire	3.88%	3.88	0.27
Moray	1.63%	1.63	0.11
<b>Grampian</b>	<b>9.37%</b>	<b>9.37</b>	<b>0.65</b>
Argyll & Bute	1.82%	1.82	0.13
Highland	4.34%	4.34	0.30
<b>Highland</b>	<b>6.16%</b>	<b>6.16</b>	<b>0.43</b>
North Lanarkshire	6.51%	6.51	0.46
South Lanarkshire	6.03%	6.03	0.42
<b>Lanarkshire</b>	<b>12.54%</b>	<b>12.54</b>	<b>0.88</b>
East Lothian	1.76%	1.76	0.12
Edinburgh City	8.15%	8.15	0.57
Midlothian	1.45%	1.45	0.10
West Lothian	2.86%	2.86	0.20
<b>Lothian</b>	<b>14.22%</b>	<b>14.22</b>	<b>0.99</b>
<b>Orkney</b>	<b>0.43%</b>	<b>0.43</b>	<b>0.03</b>
<b>Shetland</b>	<b>0.42%</b>	<b>0.42</b>	<b>0.03</b>
Angus	2.13%	2.13	0.15
Dundee City	3.04%	3.04	0.21
Perth & Kinross	2.62%	2.62	0.18
<b>Tayside</b>	<b>7.79%</b>	<b>7.79</b>	<b>0.54</b>
<b>Western Isles</b>	<b>0.65%</b>	<b>0.65</b>	<b>0.05</b>
<b>Total</b>	<b>100.00%</b>	<b>100.00</b>	<b>7.00</b>



**Greater Glasgow and Clyde NHS Board**

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Glasgow City Health and Social Care  
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Date: 11<sup>th</sup> January 2017  
Our Ref: RC/BOB

Enquiries to: Robert Calderwood  
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Dear David

**2017/18 Financial Allocation to Health and Social Care Partnerships**

Following the publication of the draft Scottish budget on 15<sup>th</sup> December 2016, I am writing to advise you of the Board's proposed approach to confirming allocations to Health and Social Care Partnerships for 2017/18 and to outline some initial planning assumptions to help you to prepare your financial plans for next year.

You will appreciate that this information remains indicative at this stage and may change as further specific details of the settlement are finalised.

It has been confirmed that the Board will receive a general uplift of 1.5% (£31.1m) which is the general uplift available to fund all cost increases in pay, supplies and GP prescribing budgets. Scottish Government has confirmed that £23.7m of this uplift will pass directly through to HSCPs and some of this may be available to offset cost pressures within NHS budgets. The balance of the uplift will be fully consumed by the increase in the Board's rates costs as a result of the recent revaluation and as a result there will be no uplift available to current service budgets. The Scottish Government letter to me as Accountable Officer for NHS Greater Glasgow and Clyde has stated that for 2017/18 the Board's expenditure on services delegated to HSCPs should be maintained at least at current year levels and therefore 2017/18 allocations to HSCPs will remain at the value of the 2016/17 recurring base supplemented by any specific 2017/18 non recurring allocations from Scottish Government. However, in 2016/17 the Board has provided non recurring relief of £7.8m for unachieved savings from 2015/16 and approximately £8.0m for the in year shortfall against 2016/17 savings plans. The 2015/16 savings were not allocated to specific Partnerships but this will be adjusted in establishing the opening position for 2017/18. The Board will continue to work with HSCPs to identify how this gap can be closed from Partnership funds such as prescribing rebates and discounts.

Family Health Services 'cash limited' budgets receive a separate annual uplift which will be passed on to partnerships in full. We will also pass on in full any specific allocations for Health and Social Care. Family Health Services budgets will continue to be managed centrally in 2017/18.



During 2016/17 it was possible for the Board to provide non recurring relief to HSCPs for the in year shortfall against 2016/17 savings plans. The Board will require all of its non recurring funding sources to achieve breakeven in 2016/17 and as a result will not be in a position to offer any in year relief for 2017/18. HSCPs will therefore be required to cover any in year shortfalls internally from underspends within their integrated budgets or from reserves carried forward from prior years.

As you know HSCPs are now responsible for planning and commissioning unscheduled care services. As you are well aware the service has been under significant pressure due to increases in demand and acuity. The Board expects HSCPs and the Acute Division to determine an appropriate activity level that reduce demand, improve patient flows and ensure more consistent achievement of performance targets including delayed discharge. This should include a financial framework to describe the financial flows arising from increases or reductions in demand and cost.

I hope this enables you to start to develop your financial plans for 2017/18 and we will continue to monitor the overall position and provide you with regular updates as the position becomes clearer in the coming weeks

Yours sincerely

A handwritten signature in black ink, appearing to read 'Robert Calderwood', written in a cursive style.

**Robert Calderwood**  
**Chief Executive**  
**NHS Greater Glasgow and Clyde**

## Board Position

The estimated overall position for NHSGGC is set out below.

Description	£m
<b>Additional Funding</b>	<b>Board</b>
General Funding Uplift of 1.5%.	31.1
Less Specific HSCP Funding (Share of National £100.0m)	(23.7)
less Rates Revaluation	(11.0)
less Board Contingency	0.0
<b>Additional Funding</b>	<b>(3.6)</b>
<b>Inflation, Pressures &amp; Investments</b>	<b>HSCPs</b>
Salaries inc Discretionary Points & ACT Offset	(4.3)
Supplies exc PPP & Contracts	(0.7)
PPP & Contracts	(0.2)
Drugs Uplift	(6.5)
Resource Transfer	(1.8)
Apprenticeships Levy	(1.8)
Pensions Cost - RRL Cost from AME Provision	(1.3)
<b>Inflation, Pressures &amp; Investments</b>	<b>(16.6)</b>
add Specific HSCP Funding	23.7
<b>Net Uplift / (Reduction)</b>	<b>7.1</b>
<b>Net Uplift / (Reduction)</b>	<b>0.9%</b>
<b>Note</b>	
In addition, HSCPs are expected to deliver £7.8m of 2015/16 recurring savings, If possible, prescribing rebates may contribute to in-year delivery.	

## Possible Pay Uplift

Based on 2016/17 pay policy (1% general uplift with £400 for those earning less than £22,000), it is likely that the additional pay cost to HSCPs in 2017/18 will be around 1.2%. In addition, HSCPs will be expected to meet the cost of the new Apprenticeships Levy at 0.5% of pay costs.

## Possible GP Prescribing Costs

The Prescribing Management Finance Group met on 8 December 2016 to consider projections for 2017/18. Current indications are that the likely net prescribing uplift for 2017/18 will be circa £6.5m however this may change before prescribing budgets are finalised in June 2017. As indicated earlier the first call on rebates and discounts will be to cover prior year unachieved/unallocated savings.

## Possible Price Inflation

The UK's rate of inflation is expected to rise in the coming months. As at November 2016 the RPI was 2.2%.



**Chief Officer**  
David Williams  
MA (Hons) CQSW

**Glasgow City Health and Social Care Partnership**  
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Mr Robert Calderwood  
Chief Executive  
NHS Greater Glasgow and Clyde  
JB Russell House  
Gartnavel Royal Hospital  
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Our ref: DW/LMcC  
Your ref:  
Date 26 January 2017

Dear Robert

Thank you for your letter of 11 January outlining the indicative framework which you propose to apply in determining the financial allocations made by the Health Board to GGC HSCPs in 2017/18. I have also received an email and schedule of HSCP pressures from James Hobson, which estimates the impact of pressures at an individual HSCP level, and further letters of clarification have been sent this week from Geoff Huggins.

Sharon Wearing and I will of course be required to present to the city's IJB in March a financial position for 2017/18 based on the proposed allocations of both the Health Board and Council that we are aware of at that point. I hope to be in the position of being able to recommend to the IJB acceptance of both allocations and we move on from there into delivery in 2017/18. To this end, I appreciate that your letter is a starting point and that we will engage in a continuing dialogue over the forthcoming weeks until there is an agreed clarity achieved. In this respect there are a number of points that I wish to make in relation to your letter which are less than clear and on which I would appreciate further clarity.

As I understand it, NHS Board allocations to HSCPs in 2017/18 are subject to the conditions set out in the Scottish Government letter to you on 15 December 2016 and Geoff Huggins/Christine McLaughlin's letter to NHS Board Directors of Finance on 18 January 2017. This requires NHS contributions to IJBs to be maintained at least at 2016/17 cash levels. In your letter to me, dated 5 July 2016, with the Board's formal allocation for 2016/17 following its budget setting meeting at the end of June, you advised a net allocation to the Glasgow City IJB of £615.7m. I acknowledge that there have been some agreed adjustments in the period since, not least of which relates to your reference to Glasgow City's share of the additional non-recurring funding for the in-year shortfall in 2016/17 savings plans you provided during 16/17, which you refer to in your letter as £8m. For note, the Glasgow City HSCP share of this amounts to £3.5m and I can confirm our IJB approved initiatives to achieve these savings in 2017/18.

Taking account therefore, of this, I can advise that the Glasgow City IJB budget allocation for 2016/17 came to £614.2m. I therefore ask that you confirm that this will be the allocation to the Glasgow City IJB for 2017/18 plus any additional specific funding for 2017/18, and any further agreed adjustments made in the remainder of 2016/17.

I appreciate that this figure does not include any adjustment in relation to the £7.8m that you reference in your letter. As you acknowledge, this non-recurring figure was never set against any of the CHPs/CHCPs in 2015/16 and the Board has absorbed the continuing pressure this financial year. I would contend that having not set it against any part of the Board's business during 2015/16, and taken ownership for it in the subsequent year, it is now difficult to justify making the adjustment for 2017/18 and to include it in an allocation to a body that did not even exist in 2015/16. To do so would take the Glasgow City IJB's allocation below 2016/17 cash level requirement. Your response to this would be appreciated.

In a similar vein, with reference to the schedule contained in James Hobson's email of 13 January which includes an adjustment under the line 'Pension Cost'. This relates to the reversal of an accounting adjustment originally made in advance of the set-up of Glasgow City HSCP and to staff who were never involved in services actually provided while the HSCP was in existence. This did not feature in the due diligence exercise at the set-up of Glasgow City HSCP which resulted in the 2016/17 cash allocation, and I would contend that to include at this point will equally take Glasgow City IJB's allocation below the 2016/17 cash level. Again, your response to this would be appreciated.

I understand the financial pressures that the Health Board faces in 2017/18 and beyond, and I can assure you that Glasgow City HSCP will take full ownership of its share of the financial challenges faced by both the Health Board and the Council, and I think we have already demonstrated our preparedness in Glasgow to go to difficult places to deliver on that, but this can only be done within the context and parameters set out by the Scottish Government.

I look forward to your response

Yours sincerely



David Williams  
Chief Officer Glasgow City HSCP

cc Mark White, Director of Finance

**If phoning or visiting please ask for David Williams**  
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## Greater Glasgow and Clyde NHS Board

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David Williams  
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Date: 15<sup>th</sup> February 2017  
Our Ref: RC/LL09

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Dear David

### **2017/18 Financial Allocation to Glasgow City Health and Social Care Partnership**

Thank you for your letter of 26<sup>th</sup> January 2017.

You asked for clarity on a number of points outlined in my letter of 11<sup>th</sup> January to which my responses are set out below.

In your letter you refer to the IJB budget allocation being £614.2m for 2016/17. This has been further reduced by £1.9m as a result of the agreed transfer of rates budgets to the Corporate Facilities directorate so at 31<sup>st</sup> January 2017 the current year allocation is £612.3m. Subject to any further agreed adjustments this amount will roll forward to become the starting budget for 2017/18. Included in this amount is a budget allocation for GP prescribing which contains £1.9m of non recurring support from the Board being your HSCP's share of the £3.6m of non recurring funding contributed by the Board in setting the overall 2016/17 prescribing budget. This will be removed at the year end and replaced by a recurring allocation to bring the budget into balance so the HSCP's starting allocation for 2017/18 for prescribing will exactly equal the cash expenditure in 2016/17. However the value of this adjustment cannot be confirmed until the final out-turn for the current year is known in May 2017.

The above amount does not include any adjustment for a share of the £7.8m of unallocated and unachieved partnerships savings from 2015/16. You correctly state that these predate the establishment of HSCPs but they were always known to and accepted by Chief Officers/Directors through their involvement in the collective approach to delivering partnerships savings. At the time it was agreed and accepted that for accounting purposes this was held centrally in the overall partnerships ledger and managed on a non recurring basis as part of the collective approach to savings that was operating at that time. The Board covered this amount in both 2015/16 and 2016/17 on the proviso that you would remove the corresponding costs from your cost base on a recurring basis. The Board does not have the ability to continue to do so given the overall financial position for 2017/18.

In your letter you also referred to the pension cost adjustment relating to staff in post prior to the inception of HSCPs. This is being recharged to service areas because the one off benefit from reversing the original provision has been used this year as a source of funds to enable the Board and HSCPs to reach a balanced position so it is only reasonable to recover it from those areas that have benefited.

As you stated in your letter to me Glasgow HSCP benefited from £3.5m of non recurring support (plus its share of the £7.8m referred to above) in 2016/17 and had that support not been provided the HSCP would potentially have reported an overspend which would have been recovered by reducing your 2017/18 allocation as set out in the financial guidance issued by the Integrated Resources Advisory Group.

The instruction to the Board was to ensure "NHS contributions must be maintained at least at 2016/17 levels" We have subsequently clarified with the Scottish government that this relates to recurring monies only. As such, neither of these adjustments affect the compliance of your budget.

I fully appreciate the financial challenges faced by all HSCPs in 2017/18 and beyond. The Board is committed to working with all Chief Officers to manage a difficult position in partnership and within the spirit of the guidance issued by Scottish Government.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Robert Calderwood', with a stylized flourish at the end.

**Robert Calderwood**  
**Chief Executive**  
**NHS Greater Glasgow and Clyde**

**Greater Glasgow and Clyde NHS Board**

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**Chief Officers**

Date: 23<sup>rd</sup> February 2017  
 Our Ref: RC/LL014

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Dear Colleagues

**2017/18 Financial Allocation to HSCPs**

Further to my letter of 11<sup>th</sup> January 2017, subsequent correspondence and meetings with Chief Officers, and the discussion at the Board meeting on 21 February 2017, I am writing with an updated budget proposal for 2017/18. This includes some updated financial planning assumptions and reflects the agreement we reached on a number of matters at my meeting with Chief Officers on 17<sup>th</sup> February 2017. Subject to any final clarification this should allow you to prepare your financial plans for next year.

In responses to my letter of 11<sup>th</sup> January 2017 Chief Officers raised specific points in relation to;

- Unallocated and unachieved historic savings of £7.8m;
- The treatment of the annual charge resulting from the release of the pensions accrual in 2016/17;
- The Board's proposed approach to managing prescribing budgets for 2017/18; and
- Funding of rates pressures.

Each of these areas were discussed at our recent meetings. With the exception of the rates funding, which we agreed, each are outlined below.

You will appreciate that this information remains indicative at this stage and may change as further specific details of funding are finalised and assumptions are refined.

**General Uplift/IJB Allocations**

It has been confirmed that the Board will receive a general uplift of 1.5% (£31.1m) which is the general uplift available to fund all cost increases in pay, supplies and GP prescribing budgets. Scottish Government has confirmed that £23.7m of this uplift will pass directly through to HSCPs. The balance of the uplift is likely to be fully consumed by the proposed increase in the Board's rates costs as a result of the recent revaluation and as a result there will be no uplift available to current service budgets whether in HSCPs or the Board's Acute and Corporate Directorates.

The Scottish Government letter to me as Accountable Officer for NHS Greater Glasgow and Clyde has stated that for 2017/18 the Board's expenditure on services delegated to HSCPs should be maintained at least at current year levels and therefore 2017/18 allocations to HSCPs will remain at the value of the 2016/17 recurring base budget supplemented by any specific 2017/18 non recurring allocations from Scottish Government.

### **GP Prescribing**

Included in the budgets that roll forward to 2017/18 is a budget allocation for GP prescribing which contains £3.6m of non recurring support from the Board to supplement the prescribing budgets set for HSCPs in 2016/17. This will be removed at the year end and replaced by a recurring allocation to bring each HSCP's budget into balance so the HSCP's starting allocations for 2017/18 for prescribing will exactly equal the cash expenditure in 2016/17. However the value of this adjustment cannot be confirmed until the final out-turn for the current year is known in May 2017.

At my meeting with Chief Officers on 17<sup>th</sup> February 2017 we discussed how prescribing budgets should be managed now that HSCPs have become established. It was agreed that the current arrangements would continue in 2017/18 where the Board continues to manage the budget collectively on behalf of all partnerships. However, the Board has no requirement or capacity to provide funding to uplift the budget for net growth. This is currently estimated at £8.5m for 2017/18 but may change and as the Board cannot reduce the budget allocation to HSCPs to recover this cost each HSCP will require to generate savings plans to meet its share of the required budget uplift. The Board's Prescribing Management Group will continue to provide advice to HSCPs to assist them to set the budget at an appropriate level for 2017/18.

### **Family Health Services**

Family Health Services "cash limited" budgets receive a separate annual uplift which will be passed on to partnerships in full. We will also pass on in full any specific allocations for Health and Social Care. Family Health Services budgets will continue to be managed centrally in 2017/18.

### **Annual Pension Cost Adjustment and Historical Savings**

The annual pension cost adjustment will be recharged to service areas because the one off benefit from reversing the original provision has been used in 2016/17 as a source of funds to enable the Board and HSCPs to reach a balanced position and the Board therefore considers it is reasonable to recover it from those areas that have benefited. Chief Officers have subsequently accepted this adjustment.

During 2016/17 it was possible for the Board to provide non recurring relief to HSCPs for the in year shortfall against 2016/17 savings plans. The Board will require all of its non recurring funding sources to achieve breakeven in 2016/17 and as a result will not be in a position to offer any in year relief for 2017/18. HSCPs will therefore be required to cover any in year shortfalls internally from underspends within their integrated budgets or from HSCP reserves carried forward from prior years.

In 2016/17 the Board has also provided non recurring relief of £7.8m for unachieved savings from 2015/16. The treatment of how this shortfall should be allocated has been discussed with Chief Officers and was debated by the Board at its meeting on 21<sup>st</sup> February 2017. The Board has mandated the Chief Executive to deduct a proportional amount of £3.6m from HSCP allocations and you will be advised of the relevant amounts for each HSCP by the Director of Finance. The Board will confirm with Scottish Government that it is appropriate to make this adjustment and should that be confirmed we will work with you to identify how it can be managed in a way that does not put further pressure on service budgets.



## **Unscheduled Care**

As you know HSCPs are now responsible for planning and commissioning unscheduled care services. As you are well aware the service has been under significant pressure due to increases in demand and acuity. The Board expects HSCPs and the Acute Division to determine an appropriate activity level that reduce demand, improve patient flows and ensure more consistent achievement of performance targets including delayed discharge. This should include a financial framework to describe the financial flows arising from increases or reductions in demand and costs.

I hope this enables you to further develop your financial plans for 2017/18 and we will continue to monitor the overall position and provide you with regular updates as the position becomes clearer in the coming weeks.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Robert Calderwood', written in a cursive style.

**Robert Calderwood**  
**Chief Executive**  
**NHS Greater Glasgow and Clyde**

## Board Position

The estimated overall position for NHSGGC is set out below.

Description	£m
<b>Additional Funding</b>	<b>Board</b>
General Funding Uplift of 1.5%.	31.1
Less Specific HSCP Funding (Share of National £100.0m)	(23.7)
less Rates Revaluation	(11.0)
less Board Contingency	0.0
Uplift from Other Boards	2.4
<b>Additional Funding</b>	<b>(1.2)</b>
<b>Inflation, Pressures &amp; Investments</b>	<b>HSCPs</b>
Salaries inc Discretionary Points & ACT Offset	(4.3)
Supplies exc PPP & Contracts	(0.7)
PPP & Contracts	(0.2)
Drugs Uplift	(8.5)
Resource Transfer	(1.8)
Apprenticeships Levy	(1.8)
Share of Unachieved CH(C)P Savings b/f from 2015/16	(3.5)
Pensions Cost - RRL Cost from AME Provision	(1.3)
<b>Inflation, Pressures &amp; Investments</b>	<b>(22.1)</b>
add Specific HSCP Funding	23.7
<b>Net Uplift / (Reduction)</b>	<b>1.6</b>
<b>Net Uplift / (Reduction)</b>	<b>0.2%</b>
<b>Note</b>	
HSCPs are expected to deliver £3.6m of recurring savings to contribute towards £7.8m of 2015/16 CH(C)P unachieved recurring savings.	

## Possible Pay Uplift

Based on 2016/17 pay policy (1% general uplift with £400 for those earning less than £22,000), it is likely that the additional pay cost to HSCPs in 2017/18 will be around 1.2%. In addition, HSCPs will be expected to meet the cost of the new Apprenticeships Levy at 0.5% of pay costs.

### **Possible GP Prescribing Costs**

The Prescribing Management Finance Group met on 8 December 2016 to consider projections for 2017/18. Current indications are that the likely net prescribing uplift for 2017/18 will be circa £8.5m however this may change before prescribing budgets are finalised in June 2017. As indicated earlier the first call on rebates and discounts will be to cover prior year unachieved/unallocated savings.

### **Possible Price Inflation**

The UK's rate of inflation is expected to rise in the coming months. As at November 2016 the RPI was 2.2%.

## Glasgow City HSCP 2017-18 Savings Options

## Health Service Reform and Efficiencies

Budget Option Ref	Budget proposal description	Transformation Theme/Impact	New 17/18 Savings (£000)
OP1	<p>Older People's System of Care</p> <p>Review of Community-Based Health and Social Care Services. There is an opportunity to make these services more efficient at the point of referral and to streamline pathways for service users/patients to reduce duplication and improve interventions. Develop Direct Access Hubs; Integrated Community Teams which will reflect the development of the GP cluster arrangements and link to natural communities; Home is Best Service to develop an integrated approach with the Acute sector in relation to admission avoidance and delayed discharge; and development of a professional nursing and support structure</p>	<p>This reform programme will release posts following natural turnover. There are a number of personnel implications in this proposal and a programme of consultations has begun with Trade Unions and staff.</p> <p>Savings of £332k from reduction in Service Managers (x1), Senior Nurses (x2), Rehab Mgrs (x3), Acute Liaison Nurse (x1), and Practice Development Nurse (x1), less reinvestment in DN Team Leads (x2). Of this £300k had been included towards the £4.8m additional savings for 16/17.</p> <p>SW Team Lead savings £118k (2 Team Leaders in older people's and physical disability services will require to move client group to realign the service with the team leader to staff ratio)</p>	32 *
MH9	Older Adults Inpatient Benchmarking - Implementation North Glasgow	The national Benchmarking indicates that NHS GGC has approximately 50% more acute older people's mental health beds than comparative areas. The reduction in inpatient capacity will be supported by investment in community services including liaison psychiatry and support to nursing homes. The retraction in North Glasgow will be facilitated by the capital investment at Stobhill already approved by the Health Board and the IJB that will result in the consolidation of wards in North Glasgow and ultimately the withdrawal of provision from Birdstone Care Home.	1,100 *
A2	Community Learning Disability Health Team Review – full implementation of LD Change Programme	In response to the implementation of a NHSGGC-wide resource allocation model (RAM) and associated workforce changes, Glasgow City HSCP management adopted a robust vacancy management approach. This has assisted in accommodating a number of redeployed staff into substantive posts. However, this work has enabled management to review the service impact of a number of vacancies. It is considered that a combined total of 3.5wte vacant posts (amounting to £155,000) could be removed from the learning disability budget from 2017/18 onwards with minimum service impact. The vacant posts proposed for deletion are mainly part-time clinical posts that have been vacant for over 8 months. However, because vacancies have arisen on an opportunistic basis, there will be a need to review the profile of staffing across the 3 HSCP localities.	155 *
A3	Alcohol & Drugs Day Service Review and Implementation	Day Services are currently delivered across two sites and two separate models are in operation. The plan involves a move to a single model in April 2017 and then consolidation onto a single site from October 2017 with an initial saving of £60k for 17/18. This will include a reduction in workforce which is being managed within the wider Alcohol & Drugs Service.	60 *
A4	Alcohol & Drugs - Prevention and Intervention	A recent service review of Prevention & Education contracts identified a number of service gaps and performance concerns. The current contracts are due to be terminated in June 2017 and the new contract sum will be £71k less than the current value.	71 *
A4	Sexual Health clinical resource and change programme	The review will take place over the first 6 months of 2017/8 and will focus on how Sandyford delivers its core genito-urinary and reproductive health services. Specifically, it will consider management and team structures, localities and skill mix. The review will also address issues in relation to accessibility and making more efficient use of resources through the development of self-management options for those that are able to manage their sexual health, thus enabling the service to target more vulnerable individuals. The review Programme Board will update the IJB in September 2017 with a range of recommendations to be fully implemented by 2018/9	250 *
MH1	Mental Health Unscheduled Care Review	A review of NHS MH out of hours CPN, all MH Liaison and Crisis services to ensure we have a co-ordinated 24/7 MH response to unscheduled care for Primary Care services and Acute Hospitals. The review will ensure any duplication of functions and resources is minimised. The streamlined service arrangement will deliver a more cost-efficient service whilst continuing to deliver current performance necessary to support a reducing inpatient model.	240 *
MH5	Primary Care mental health team review	The service review would consider alternative routes to provide existing functions including commissioned options and increased use of e-Health solutions.	150 *
MH7	Psychotherapy Review	There is an ongoing review of this service. The review will seek to make the service more consistent across geographies (GG&C wide) and ensure that there is a focus on clinical priorities and where there is evidence for interventions.	200 *
MH8	Psychological Therapies Review	The review aims to deliver the requirement that more patients will access the service and at the same time continue to delivery 18-week target. Scottish Government funding has been provided to Partnerships to expand access to Psychological therapies and to deliver the 18-week target. NHS Greater Glasgow and Clyde are currently delivering on this target. The redesign will address current funding shortfall in North West Glasgow and recycle resource towards savings requirement.	300 *

MH11	Adult Inpatient Capital Programme - Review of Inpatient Bed Capacity	Ongoing Adult Mental Health Services inpatient programme supported by capital investment, delivering improved estate on Stobhill site. Investment will release fixed costs and overheads currently consumed at Parkhead.	700 *
MH12	Esteem - Early Intervention for Psychosis Service Review.	Service redesign which will seek to identify areas for improved efficiency with minimal impact on front line services including performance and quality. Areas for consideration include business processes, workforce skill mix, accommodation, and other support costs.	50 *
MH13	DART service review - a liaison function in conjunction with the local community mental health resource centres to return people to home.	Service redesign which will seek to identify areas for improved efficiency with minimal impact on front line services including performance and quality. Areas for consideration include business processes, workforce skill mix, accommodation, and other support costs.	50 *
MH14	Trauma Review - includes newly configured NHS GG&C wide service, delivering responses for people who have mental health difficulties following traumatic events. Service also provides consultation, advice and training function for other staff.	Service redesign which will seek to identify areas for improved efficiency with minimal impact on front line services including performance and quality. Areas for consideration include business processes, workforce skill mix, accommodation, and other support costs.	78 *
MH15	PSYCIS Review - clinical and demographic information on people who are in contact with Adult Mental Health Service's in Glasgow & Clyde with a diagnosis of psychosis	Service redesign which will seek to identify areas for improved efficiency with minimal impact on front line services including performance and quality. Areas for consideration include business processes, workforce skill mix, accommodation, and other support costs.	15 *
MH16	GIPSI/SPRINT Review- supervision and skills based training to staff in psychosocial interventions for those with mental disorders and research in psychosocial therapies	Service redesign which will seek to identify areas for improved efficiency with minimal impact on front line services including performance and quality. Areas for consideration include business processes, workforce skill mix, accommodation, and other support costs.	80 *
MH17	RESTART review - vocational training, workshops and meaningful activities in several locations to those with severe and enduring mental health conditions.	Service redesign which will seek to identify areas for improved efficiency with minimal impact on front line services including performance and quality. Areas for consideration include business processes, workforce skill mix, accommodation, and other support costs.	50 *
OP2	Older People Inpatient Benchmarking - South Glasgow	Reduction in inpatient provision in South Glasgow and consolidation at Darnley Court with associated reinvestment in community services.	600
OP3.1	Mental Health & Wellbeing – Good Moves	Restructuring of funding model. Reduced HSCP funding component, with provider exploring alternative funding options.	25
OP3.2	Third Sector Transformation Fund	Funding is subject to annual review. This is proposed as the total amount the HSCP can afford to invest in third sector transformational projects given wider financial challenges facing the HSCP in relation to core/ statutory activity.	181
OP3.3	Power of Attorney Campaign	Saving as activity has ended. Recommendation made to Scottish Government that they consider building on this Glasgow-led initiative given its success in increasing POA applications.	7
OP3.4	Dementia Post-Diagnostic Support	Saving delivered from procurement exercise.	52
OP3.5	Dementia Strategy	Saving – activity related to service reform ended hence additional community nursing capacity no longer required.	27
OP3.6	Managed Medication	Saving – activity ended	26
OP3.7	Community Nursing	Saving – activity ended	52
OP3.8	Integrated Care capacity	Anticipated saving arising from procurement exercise. Specifically the change from block to cost and volume contracts.	137
OP3.9	Responder Services	Efficiency savings are anticipated via strategic review of telecare.	105
OP3.10	Home from Hospital	Efficiency to be delivered through wider review of housing support model.	14
OP3.11	Better at Home	Not core business.	19
OP3.12	Housing Options	Saving arising from staffing changes.	5
OP3.13	Miscellaneous Integrated Care Fund	Saving – activity ended	15
CF1	Effective and robust local vacancy management. This will occur, in tandem with ongoing scrutiny in the HSCP around all activity and within the opportunity of further integrated arrangements across children services. This will seek to examine and review all investment and expenditure in HSCP health and social work children's spend. Ongoing arrangements are also in place to review all budgets, complete the audit of all spend in children's services and ensure every possible saving is extracted away from front line practice and service delivery. Progress on savings will be off set against front line posts and will be kept under constant review by the Children's Core Leadership team.	Impact away from frontline practice and service delivery.	238
Gen 1	Effective and robust local vacancy management. As above, across HSCP Services.	Impact away from frontline practice and service delivery.	1,062
<b>TOTAL</b>			<b>6,146</b>

\* approved at January and February 2017 IJB Meetings