



Item No: 16

Meeting Date: Wednesday 18th September 2019

Glasgow City Integration Joint Board

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

Contact: Sharon Wearing

Tel: 0141 287 8838

UPDATE ON SUSTAINABLE SOLUTION FOR HOMECARE SERVICES FOR 2019-20

Purpose of Report:	This report provides an update on the funding for Homecare.
---------------------------	---

Background/Engagement:	On 27 March 2019, the IJB agreed to accept Glasgow City Council's funding offer, subject to the joint development of a financially sustainable solution for both Homecare and Housing First by September 2019.
-------------------------------	--

Recommendations:	The Integration Joint Board is asked to: a) note the update provided in relation to Homecare Services.
-------------------------	---

Relevance to Integration Joint Board Strategic Plan:

This report provides an update the funding allocations which are made available to the Integration Joint Board for 2019/20 by Glasgow City Council in support of the delivery of the Strategic Plan.

Implications for Health and Social Care Partnership:

Reference to National Health & Wellbeing Outcome:	The financial framework for the IJB contributes to the delivery of the 9 national health and wellbeing outcomes that health and social care partners are attempting to achieve through integration.
--	---

Personnel:	Staffing implications are highlighted where appropriate in the report.
-------------------	--

Carers:	None.
----------------	-------

OFFICIAL

Provider Organisations:	None.	
Equalities:	No EQIA carried out as this report does not represent a new or revised plan, policy, service or strategy.	
Fairer Scotland Compliance:	The expenditure on services within this budget supports the delivery of a Fairer Scotland.	
Financial:	Financial implications are detailed throughout this report.	
Legal:	<p>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.</p> <p>Directions are being issued in line with the legislation.</p>	
Economic Impact:	Not applicable at this time.	
Sustainability:	Not applicable at this time.	
Sustainable Procurement and Article 19:	Not applicable at this time.	
Risk Implications:	Delays in developing a financially sustainable solution for Homecare by September 2019 may impact on the IJB's ability to achieve financial balance in 2019-20.	
Implications for Glasgow City Council:	The budget is required to be spent in line with the strategic Plan and the approved directions.	
Implications for NHS Greater Glasgow & Clyde:	None.	
Direction Required to Council, Health Board or Both	Direction to:	
	1. No Direction Required	✓
	2. Glasgow City Council	
	3. NHS Greater Glasgow & Clyde	
	4. Glasgow City Council and NHS Greater Glasgow & Clyde	

OFFICIAL

1. Purpose

- 1.1. This report provides an update on the funding for Homecare for 2019-20.

2. Background

- 2.1. On [27 March 2019](#), the IJB agreed to accept Glasgow City Council's funding offer, subject to the joint development of a financially sustainable solution for both Homecare and Housing First by September 2019. The IJB was provided with an update on [26 June 2019](#). This report provides a further update on these two areas.

3. Homecare Services

- 3.1. In April 2018 the Council took the decision to transfer services from Cordia LLP back into Council Services. The services which transferred to the Health and Social Care Partnership had an estimated budgeted deficit of £6.5m. Non-recurring funding was put in place by the IJB and the Council to fund this in 2018-19. The 2019-20 Council budget made no direct funding provision for this deficit.
- 3.2. In 2018-19 Homecare Services closed the financial year with an overall deficit of £4.9m. This takes account of financial performance under both Cordia LLP and under the HSCP. This is an improvement from the £6.5m originally forecast and is mainly as a result of assumptions in relation to pressures linked to demand and pay being less than originally anticipated.
- 3.3. Building on the experiences of 2018-19, a revised forecasted deficit of £4.7m is forecast for 2019-20. Attached at Appendix 1 is an update which has been received in relation to the Council's position on the funding for Homecare Services. It reiterates their commitment to finding a financial solution both for 2019/20 and future years. However it is not in a position to confirm the details of a funding offer for 2019/20 until the City Administration Committee considers this on 26th September 2019. Recurring funding from 2020/21 will not be confirmed until the Council finalises its budget position in February/March 2020.
- 3.4. Any delay in securing funding represents a financial risk to the IJB and its ability to manage within the overall funding which has been made available. The Council has confirmed that a final funding offer for 2019/20 in relation to Homecare Services will be made after this is considered by the City Administration Committee and a further update will be provided to the IJB in November.

OFFICIAL

OFFICIAL

- 3.5. In addition to the recurring deficit, Homecare Services have incurred additional costs associated with the contingency arrangements required to be put in place to manage the potential implications to staffing levels following the settlement of the Council's equal pay dispute. This is the subject of separate discussions with the Council in relation to funding.

4. Recommendations

- 4.1. The Integration Joint Board is asked to:
 - a) note the update provided in relation to Homecare Services.

OFFICIAL



Executive Director of Finance
Martin Booth
BA FCPFA MBA

Financial Services
Glasgow City Council
City Chambers
George Square
Glasgow G2 1DU

Telephone: 0141 287 3837
Fax No: 0141 287 0264

27 August 2019

Sharon.wearing @glasgow.gov.uk

Dear Sharon

Further to our ongoing discussion regarding the scale of the budgetary pressure facing the IJB from Homecare Services. We are committed to finding a financially sustainable solution for 2019/20 and for future years.

As has previously been discussed, we would propose to deal with 2019/20 as part of the Council's outturn report. In order to facilitate this we will present a report to the City Administration Committee on the 26th September as part of Period 6 monitoring. This will allow us to quantify the pressure and agree funding for 2019/20. With regard to future years we have included Homecare Pressure as part of our Financial Forecast for 2020/21, once we clarify the scale of the pressure as part of the outturn procedure this will be explicitly built into our financial forecast which will baseline the position for future years.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Martin Booth'.

Martin Booth
Executive Director of Finance

OFFICIAL