



Item No: 19

Meeting Date: Wednesday 19th September 2018

Glasgow City Integration Joint Board

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

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COUNCIL FAMILY REVIEW : CORDIA

Purpose of Report:

To advise the Integration Joint Board of the implementation arrangements in relation to transfer of homecare and associated services to Glasgow City Council and managed through the HSCP from 29 September 2018 and an update on the due diligence review in relation to the transfer.

Background/Engagement:

This report provides an update on the initial report to the Integration Joint Board on 9 May 2018.

Recommendations:

The Integration Joint Board is asked to:

- a) note the update on the implementation arrangements in relation to the transfer of homecare services to Glasgow City Council;
- b) note that the due diligence exercise is not completed and this will be the subject of a further report by the Chief Officer and Chief Officer Finance and Resources at the next IJB following receipt and review of all information from the Council; and
- c) note that the Chief Officer will engage with Glasgow City Council as part of the 2019/20 revenue budget process, to establish the recurring funding which is to be delegated for services transferring from Cordia.

Relevance to Integration Joint Board Strategic Plan:

The Cordia services which are proposed for transfer to be managed through HSCP significantly contribute to the delivery of the Strategic Plan.

Implications for Health and Social Care Partnership:

Reference to National Health & Wellbeing Outcome:	Cordia's delivery of care services supports achievement of all National Health and Wellbeing Outcomes.
Personnel:	There will be a significant number of employees currently employed and managed by Cordia who will transfer back to the Council and be managed through Glasgow City HSCP.
Carers:	Carers would continue to be supported by staff and managers of the current Cordia homecare services. However the branding will change.
Provider Organisations:	Homecare services formerly delivered by Cordia will transfer to the Council, to be managed through Glasgow City HSCP.
Equalities:	No impact.
Financial:	The due diligence exercise is still to be concluded. The report to the Cordia Board is projecting an overspend of £1.895m to the 29 th September on the services which will transfer Glasgow City Council. However the overall financial position is an overspend of £0.632m. The full funding gap will not be known until the due diligence exercise is completed and budgets disaggregated taking into account any seasonal variations.
Legal:	Care home services are provided further to s12 of the Social Work (Sc) Act 1968, a mandatory delegated function. The services are currently provided by Cordia by way of a service legal agreement with GCC, which will be terminated on transfer. Thereafter, the service will be managed through the HSCP as directed by the IJB.
Economic Impact:	No impact.
Sustainability:	No impact.
Sustainable Procurement and Article 19:	No impact.
Risk Implications:	The Integration Joint Board's risk register has been updated to reflect the risk associated with the transfer of Cordia services to the GCHSCP's management.

Implications for Glasgow City Council:	Cordia care staff will transfer to GCC employment.
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Implications for NHS Greater Glasgow & Clyde:	None.
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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	

1. Purpose

- 1.1 To advise the Integration Joint Board (IJB) of the implementation arrangements in relation to transfer of homecare and associated services to Glasgow City Council under the management of the HSCP from 29 September 2018 and an update on the due diligence review in relation to the transfer.

2. Background

- 2.1. The Glasgow City Convenor for Workforce presented a report on the Council Family Review 2018 to the City Administration Committee on 19 April 2018. This report recommended that the services currently delivered by Cordia be transferred back to the Council Family, and specifically that homecare and associated services should be transferred to the Council (Social Work Services) under the management of Glasgow City HSCP (GCHSCP).

- 2.2. The services which will transfer are:-

- Home Care Services
- Supported Living
- Assessment and Review
- Community Alarms
- Equipu
- Transport and Support Services (TASS)
- Stairlifts/Ceiling Track Hoist Services
- Transport and Fleet Management
- Linguistics
- Associated Support Services

3. Role of the Integration Joint Board

- 3.1. The IJB is responsible for the strategic planning of the functions delegated to it and for ensuring the delivery of the functions conferred on it by the Act through locally agreed operational arrangements set out within the Integration Scheme.

- 3.2. Section 6 of the Integration Scheme sets out the local arrangements agreed by the Parties, including the responsibility of the IJB for operational oversight of integrated services, and through the Chief Officer, will be responsible for management of integrated services.
- 3.3. The IJB will require to be assured that the IJB's Strategic Plan and commissioning of care at home from Glasgow City Council through directions is not compromised as a consequence of this transfer. The IJB will further be required to ensure that operational arrangements put in place are also not compromised.

4. Implementation

- 4.1. The Chief Officer Finance and Resources has led the GCHSCP engagement on the Glasgow City Council implementation plan and good progress has been made by all officers in preparing for the transition to GCHSCP's management from 29 September 2018 with plans now in place to support continuity of service delivery under the HSCP.
- 4.2. The Chief Officer and Chief Officer Strategy and Operations have also frequently engaged separately with Cordia care management and front line staff to facilitate an effective transfer of services to the HSCP.
- 4.3. From 29 September, the Chief Officer Strategy and Operations will assume line management of Cordia's Head of Care, with all other services being aligned to existing services, either within the GCHSCP's management or that of other Glasgow City Council services, where relevant.

5. Due Diligence

- 5.1. This change in operational arrangements requires to be subject to due diligence by the Chief Officer Finance and Resources as Accountable Officer to the IJB. The timescale for concluding this exercise is challenging, and was recognised in the Annual audit Report by Audit Scotland.
- 5.2. The report to the Cordia Board is projecting an overspend of £1.895m to the 29th September on the services which will transfer to the GCHSCP. However the current overall financial position is an overspend of £0.632m. The full funding gap will not be known until the due diligence exercise is completed and budgets disaggregated taking into account any seasonal variations.
- 5.3. To support these discussions, the IJB should note some key principles and options which exist in relation to the funding of a potential deficit in the budget which may be delegated to the IJB.

5.4. Cordia currently deliver a range of services including Catering and Facilities Management. Financial performance is mixed across all services, with some budgeting a profit and others, such as those transferring to the management of the HSCP, budgeting at a loss. The Council's budget for 2018/19 also assumes a return of surplus from Cordia of £2.2 million. A key principle for the distribution needs to be equity. The HSCP are working on the assumption that budgets are fully disaggregated to all services, with the removal of profit and losses, where possible on a pro-rata basis. This will ensure an equity of budget distribution and also offer a transparent process in which to delegate budgets to the receiving Services. This is the basis on which the officers working in the HSCP will approach the due diligence exercise.

5.5. This will provide the IJB with a fair distribution of the funding available on which an assessment of any shortfall can be made for 2018-19. A recurring solution to any budget shortfall is not available during 2018/19 and would need to be considered as part of the 2019/20 revenue budget exercise by the IJB's Partner Bodies. There are two options available to the IJB to respond to any shortfall in the budget delegated from Glasgow City Council for 2018-19:-

(i) Option 1

Direct Glasgow City Council to deliver a service within the budget which has been delegated to the IJB. This would require a reduction in the quantity of the services delivered and would have a significant impact on service delivery over the winter months.

(ii) Option 2

Utilise IJB reserves to offer a non-recurring solution for 2018/19, on the condition that this is match funded by Glasgow City Council. This would not offer a permanent solution. A permanent solution would require to be considered as part of the 2019/20 budget process by the IJBs Partner Bodies.

5.6. This report recommends Option 2, to enable continuity of service delivery in the short term and to enable time for the budget discussions to take place with Partner bodies as part of the 2019/20 budget discussions.

6. Other Areas for Note

6.1. Officer engagement in the implementation plan and also employee engagement has identified a number of matters which the IJB should be aware of:-

- Glasgow City Council has provided for the costs linked to harmonisation and auto enrolment corporately and these will not be transferred to the IJB until the full implications for each service is known. The Council have confirmed they will meet the full cost of harmonisation and auto enrolment.

- There is a difference between how Cordia and GCC calculate one category of the Non Standard Working Pattern (NSWP) matrix, the difference may result in a higher payment to some staff transferring. The number of staff involved are still to be determined.
- Support Services have been considered as part of the disaggregation of services, with a mix of delivery models being adopted. For instance some staff will transfer directly under the management of the HSCP, whilst others will transfer to a corporate function within Glasgow City Council. A corporate model has been adopted for some services, however for communications, governance and compliance, services hold their own teams and the transfer of these services to a corporate model changes the operating model. This will continue to be closely monitored to ensure that the HSCP is effectively supported by these corporate services moving forward.
- Cordia legacy ICT systems are critical to the running of the care services within Cordia. These systems include a number of bespoke applications which Cordia Care services are reliant upon. Although critical, these systems are non-standard in approach due to the fact that the ICT service was resident within the service. This effectively means that we are more reliant on individuals who understand the running and implementation of these systems than would normally be the case for 3rd party systems. The transfer of resources will see one data analyst member of staff with knowledge of the Cordia ICT and systems transfer to the HSCP. The remainder of the Cordia workforce (approximately 20 people) have transferred to CGI, the Council's ICT provider.
- Cordia care service carries out 60% of its business 'out of hours' meaning that out of hours support is a critical element of the ICT support required from CGI. There are currently discussions on going with Cordia, SIT and CGI in respect of how the out of hour's service will be delivered and action plan is being created for Cordia's consideration.

7. Recommendations

7.1 The Integration Joint Board is asked to:

- a) note the update on the implementation arrangements in relation to the transfer of homecare services to Glasgow City Council;
- b) note that the due diligence exercise is not completed and this will be the subject of a further report by the Chief Officer and Chief Officer Finance and Resources at the next IJB following receipt and review of all information from the Council; and
- c) note that the Chief Officer will engage with Glasgow City Council as part of the 2019/20 revenue budget process, to establish the recurring funding which is to be delegated for services transferring from Cordia.