

Supplementary Agenda

West Dunbartonshire Health & Social Care Partnership Board

Date: Wednesday, 8 May 2019

Time: 14:00

Venue: Civic Space,
Council Offices, 16 Church Street, Dumbarton

Contact: Scott Kelly, Committee Officer
Tel: 01389 737210 Email: scott.kelly@west-dunbarton.gov.uk

Dear Member

ITEMS TO FOLLOW

I refer to the agenda for the above Meeting of the West Dunbartonshire Health & Social Care Partnership Board which was issued on 26 April 2019 and now enclose copies of the undernoted reports which were not available for issue at that time.

Yours faithfully

**BETH
CULSHAW**

Chief Officer of the
Health & Social Care Partnership

Note referred to:-/

Note referred to:-

5 FINANCE UPDATE REPORT 141 – 155

Submit report by the Chief Financial Officer providing an update on the interim 2018/19 projected position as at 31 March 2019 and the 2019/20 budget position.

6 PROCUREMENT OF CONTRACTS 157 – 162

Submit report by the Chief Officer seeking authorisation to initiate procurement processes for procurements which may be awarded to third party providers.

Distribution:

Voting Members

Allan Macleod (Chair)
Denis Agnew
Marie McNair
John Mooney
Rona Sweeney
Audrey Thompson

Non-Voting Members

Barbara Barnes
Beth Culshaw
Chris Jones
John Kerr
Neil Mackay
Diana McCrone
Anne MacDougall
Kim McNabb
Janice Miller
Peter O'Neill
Selina Ross
Julie Slavin
Alison Wilding

Senior Management Team – Health & Social Care Partnership

Date of issue: 2 May 2019

WEST DUNBARTONSHIRE HEALTH & SOCIAL CARE PARTNERSHIP BOARD**8 May 2019**

Subject: Finance Update Report**1. Purpose**

- 1.1** To provide the Health and Social Care Partnership Board with an update on the interim 2018/19 projected position as at 31 March 2019 and the 2019/20 budget position.

2. Recommendations

- 2.1** The HSCP Board is recommended to:

- Note the updated position in relation to budget movements on the 2018/19 allocation by WDC and NHSGGC and direction back to our partners to deliver services to meet the strategic priorities approved by the HSCP Board;
- Note the interim period 12 revenue position for the period 1 April 2018 to 31 March 2019 is reporting an underspend of £0.413m (0.27%);
- Note the projected impact of the interim outturn position on reserves;
- Note the interim period 12 capital position as at 31 March 2019; and
- Note that Greater Glasgow & Clyde Health Board approved their 2019/20 budget contributions to the six Glasgow HSCPs at their meeting of 16 April 2019.

3. Background

- 3.1** As laid down within the Financial Regulations, each HSCP Board is presented with a budget monitoring report. The February meeting considered the financial performance as at 31 December 2018 and the 2018/19 projected outturn position.
- 3.2** The 2018/19 financial year ended on 31 March 2019, however the timing of this May Board meeting coupled with the complexities of closing down the annual accounts for the HSCP and adhering to the year-end timetables of both WDC and NHSGGC means that the Period 12 position is still being finalised. The final outturn position will be reported within the 2018/19 unaudited annual accounts at the June Audit Committee.
- 3.3** The projected outturn underspend contained within this report will be subject to change as the year end process progresses, however all efforts have been made to ensure that any movement will not be material. As agreed with external audit, any significant changes will be clearly presented as part of the report on the 2018/19 draft unaudited accounts.

3.4 Greater Glasgow and Clyde Health Board Allocation

3.5 The agreed NHSGGC 2018/19 roll forward budget allocation to the HSCP Board was £87.610m (excluding set aside). The budget changes up to the end of period 9, resulted in an adjusted budget of £90.757m being reported to the February 2019 HSCP Board.

3.6 Since the February HSCP Board report the following budget adjustments have taken place revising the net expenditure budget to £91.061m.

Table 1: 2018/19 Budget Reconciliation - Health

Description	£000
Revised 2018/19 HSCP Budget as at Period 9	90,757
Adjustments to Period 12:	
Scottish Government Funding:	
CAMHS Funding – recurring earmarked	174
FHS various non-cash limited adjustments	109
Other Adjustments:	
Continuing Care 2018/19 part year	10
Other miscellaneous adjustments	11
Revised 2018/19 HSCP Budget as at Period 12	91,061

3.7 West Dunbartonshire Council Budget Allocation

3.8 The agreed WDC 2018/19 budget allocation to the HSCP Board was £63.422m. The budget changes up to period 9, resulted in an adjusted budget of £63.390m being reported to the February 2019 HSCP Board.

3.9 Since the February HSCP Board report the following budget adjustments have taken place revising the net expenditure budget to £64.318m.

Table 2: 2018/19 Budget Reconciliation – Social Care

Description	£000
Revised 2018/19 HSCP Budget as at Period 9	63,390
Adjustments to Period 12:	
Pay Award held by WDC until pay settlement agreed	769
WDC Contribution to Havoc Fire	20
Apprentice Levy	144
Expected savings from corporate procurement strategies	(5)
Revised 2018/19 HSCP Budget as at Period 12	64,318

4. Main Issues

4.1 Summary Position

4.2 The WDHSCP interim revenue position for the period 1 April to 31 March 2019 is reporting a projected outturn of £0.413m (0.27%) underspend against budget.

4.3 The 2018/19 projected position is based on the interim period 12 ledger information and includes all known material accruals and planned transfers to earmarked reserves at this stage of the year end accounts closure process. This projected outturn is an improved position compared to the previously reported year end forecast of an overspend of -£0.228m (-0.15%), however as stated in sections 3.1 – 3.3 there is potential for movement, coupled with assumptions made around the planned additions and drawdown's to and from reserves. Final outturn figures and recommendations on reserves will be presented to the June HSCP Audit Committee within the draft 2018/19 unaudited accounts.

4.4 The summary position is reported within the following table and the significant variances affecting the interim position are highlighted within sections 4.5 - 4.17 of this report. Detailed breakdowns of Interim P12 costs at care group level are reported in Appendix 1.

Table 3: Summary Interim Financial Position as at 31 March 2019

	INTERIM PERIOD 12 FIGURES				PROJECTION BASED ON PERIOD 9		
	Annual Budget	Actuals	Variance	Variance	Forecast	Forecast Variance	Variance
	£000's	£000's	£000's	%	Full Year	£000's	%
Health Care	96,329	95,960	369	0.38%	95,047	0	0.00%
Social Care	91,689	92,047	(359)	-0.39%	90,972	(394)	-0.43%
Expenditure	188,018	188,007	10	0.01%	186,019		0.00%
Health Care	(5,268)	(5,268)	0	0.00%	(4,289)	0	0.00%
Social Care	(27,371)	(27,774)	403	-1.47%	(27,355)	166	-0.61%
Income	(32,639)	(33,042)	403	-1.24%	(31,644)	166	-0.51%
Health Care	91,061	90,692	369	0.40%	90,758	0	0.00%
Social Care	64,318	64,273	44	0.07%	63,617	(228)	-0.35%
Net Expenditure	155,379	154,965	413	0.27%	154,375	(228)	-0.15%

Members should note that NHS Health financial convention of reporting overspends as negative variances (-) and underspends as positive variances (+) has been adopted for all financial tables within the report.

4.5 Significant Variances – Health Services

4.6 The overall net interim position at 31 March 2019 is reporting an outturn underspend of £0.369m (0.40%). Due to the timing of the NHSGGC year end financial ledger closure, it is anticipated that the outturn can be held at this position, dependent on the movement in reserves and the finalisation of prescribing costs.

4.7 As reported throughout the year there were financial challenges around meeting elements of the previously approved savings around Mental Health (£0.111m) and School Nursing (£0.114m) staff restructuring and the cost of carrying displaced staff. As part of the HSCP Board's financial recovery plan all efforts have been made to secure efficiencies in-year and unapplied discretionary non-recurring funding. The key areas are:

- **Adult Community Services** – overspend of £0.170m mainly due to nursing costs for a specialist care package and EQUIPU pressure for aids provided at hospital discharge. The 2019/20 budget setting process has taken cognisance of an element of these pressures.
- **Mental Health – Adult Community and Elderly Services** – underspend of £0.269m, mainly due to additional income due from Argyll and Bute under the terms of the Service Level Agreement. This is based on a 3 year rolling average and has only been transferred to the HSCP Board this year.
- **Child Services – Specialist and Community** - overspend of £0.342m, mainly due to unachievable school nursing savings (4.7 above), reduction in SLT income, Health Visitor regrading to Band 7 and less than anticipated non-recurring funding from the Scottish Government.
- **Planning and Health Improvement and Other Services** - underspends of £0.307m mainly due to delay in application of discretionary funding commitments. Any unallocated funds with commitments rolling over into 2018/19 will be transferred to reserves.
- **Learning Disability and Addictions** – underspends of £0.070m and £0.036m respectively in line with previously reported savings due to vacancies, maternity leave and secondment savings. The additional Scottish Government funding for ADP services is carried forward as an earmarked reserve.
- **Hosted Services – MSK Physiotherapy and Retinal Screening** - underspends of £0.239m and £0.036m respectively. The provision of MSK services are a key component of the Primary Care Improvement Programme and with additional funding being provided across all HSCPs there has been significant staff movement within the core MSK service leading to increased turnover savings.

4.8 GP Prescribing for Partnerships in 2018/19

4.9 Throughout the 2018/19 financial year the volatility of drug costs has been highlighted as the main risk factor on the overall financial performance of this £19.3m budget. The Glasgow wide Prescribing Efficiency Group and the local prescribing group have committed to an ambitious programme of cost and waste reduction to mitigate global price increases and ongoing demand pressures.

4.10 The projected year end position is a budget overspend of £0.076m, an improvement to the previously reported overspend of £0.158m, due mainly to a favourable variation in prescription drugs short supply costs for December and January. However, the actual activity and cost data runs two months behind the actual reporting period; therefore the year end accrual was based on the information to January 2019 and any deviation from this amount will impact on the 2019/20 budget performance.

4.11 As previously reported, with continuing demand and price pressures, exacerbated by the uncertainty around import arrangements after Britain's withdrawal from the European Union, it would be prudent to create a prescribing reserve if possible. Therefore once the overall health position is finalised and the projected £0.396m underspend remains, the HSCP Board should consider earmarking within reserves.

4.12 With the ending of the risk sharing arrangement for partnerships, prescribing costs represent the greatest financial risk to the on-going success of the HSCPs and this is acknowledged by the Scottish Government.

4.13 Significant Variances – Social Care

4.14 The overall net interim position at 31 March 2019 is reporting an outturn underspend of £0.044m (0.07%). Due to the timing of the WDC year end financial ledger closure, this figure may be subject to change as final adjustments are made.

4.15 This is an improvement on the projected overspend of (-£0.228m) (-0.15%) based on the ledger figures to the end of December 2018. However members will recall that the CFO verbal update to the February Board meeting was that all efforts were being made to maximise the recovery plan actions to bring the outturn close to breakeven, minimising the impact on the general reserves balance.

4.16 As previously reported the main financial risk areas were linked to the continuing increases in demand for residential and community placements supporting children and families and supporting older people within their own homes or a homely setting. These increased costs (also evident in the last financial year) have been mitigated non-recurrently by the application of significant investment from the Social Care Fund, earmarked for new service

developments such as the Focussed Intervention Team and Alternatives to Care.

4.17 The key projected outturn variations are detailed below:

- **Residential Schools** – overspend of £0.940m in line with the position reported at period 9. As previously reported this is an extremely volatile budget, exacerbated by the statutory requirements of continuing care. Children and Families managers review alternatives to high cost placements on a regular basis with the desired outcome being the transfer of the young person to appropriate and supportive services within the community. As part of the 2019/20 budget approval process, the HSCP Board require significant progress to be made in reducing these high cost packages.
- **Community Placements** – overspend £0.985m in line with the projection reported at period 9. Over the course of the financial year the number of kinship placements has risen from 203 to 253. This 25% increase came in addition to the similar increases seen from October 2017 of the previous financial year. Fostering placements (internal and external) have also increased from 94 to 116, again, approximately 25% increase. The 2019/20 budget approval process has invested approximately £1.1m in supporting these placements, however this does not allow for any further increase to placements. The Head of Children & Families is committed to reviewing the process and outcomes of these placements.
- **Residential Accommodation for Younger People** – overspend of £0.176m related to additional staff costs in our children’s homes covering absence, auto-enrolment and vacancies. Managers are currently looking at the current staffing model and how to minimise the use of agency workers and premium rate overtime.
- **Other Services Young People** – this group of services including throughcare, respite, alternatives to care, self directed support and payments to other bodies is projecting an underspend of £0.152m. As previously reported the main element relates to the delay in applying the investment from the previous payment to Includem which is to be directed at employing staff to support families in crisis.
- **Residential Accommodation for Older People** - overspend of £0.195m. This is an improved position on the previous projection due mainly to additional income from house sales and small increase in self-funders. There is a potential for this to change as the accrual checking process continues.
- **Homecare** - overspend of £0.528m, which is approximately £0.100m higher than the previous projection due to an increase in hours to external providers, the processing of income refunds to clients paying for practical support, invoiced through the WDC annual billing process and a greater use in overtime in the projection from the last quarter. Since the last Board meeting, home carers have been issued with a reminder of the requirement to record

all visits via the CM2000 system. Accurate management information supports the lone workers policy and the health and safety of home care staff, it also allows for improved continuity of care and more efficient scheduling, reducing the requirement for premium rate overtime.

- **Sheltered Housing** – underspend of £0.274m. This is an improved position due to level of vacancies, additional income from rent and an overachievement of approved savings linked to external providers.
- **Focussed Intervention Team** – underspend of £0.748m. This is in line with previous reports and was highlighted within the recovery plan as a significant element of non-recurring support to help offset the overall budget pressure across children and families.
- **Other Services (incl. Social Care Fund)** – are reporting cumulative underspends of £1.043m. In line with the recovery plan, additional turnover in excess of the budgeted target, together with discretionary spending was to be secured to minimise the projected overspend. The Strategy, Planning and Health Improvement Team contributed £0.148m to the projected outturn position. The remaining element of approximately £0.900m was as previously reported, consisting of a number of elements of Social Care Funding. Since 2016/17 an element of this additional funding has been directed to both general and earmarked reserves. Given the scale of the 2018/19 financial challenge any unapplied element, i.e. excluding Carers Act funding, has been directed in line with the recovery plan.
- **Additional Support Needs Client Packages** – across clients with mental health issues, learning and physical disabilities there is an accumulation of underspends totalling £0.651m. This is an improvement of the previous projection of £0.150m and is mainly due to additional income as part of the Learning Disability redesign of inpatient beds, the natural ending of some packages and some savings from the projected cost of the payment of the living wage. This may be subject to change as the level of accruals is assessed across both the manual payment of invoices and care packages payments managed through the Carefirst system.

4.18 2018/19 Reserves Update based on Interim Position

4.19 The requirement to hold financial reserves is acknowledged in statute (s93 Part VII Local Government (Scotland) Act 1973). Integrated Joint Boards as a body corporate fall under s106 of the same Act and are required to make arrangements for the proper administration of their financial affairs.

4.20 The recent Ministerial Strategic Group's Review of the Progress of Integration of Health and Social Care, include the proposal that "Each IJB must develop a transparent and prudent reserves policy – ensuring that reserves are identified for a purpose...or held as a general reserve as a contingency.."

- 4.21** The HSCP Board, have since its establishment, had a transparent Reserves Policy in place with the level of reserve reported regularly through the financial performance reports, annual budget setting and annual accounts exercise. The Annual Budget Setting Report presented at the Special meeting of 28 March, laid out the detail that the recommended 2% target for a general (Unearmarked) reserve, based on the 2019/20 interim budget was £2.682m.
- 4.22** As clearly stated in sections 3.1 – 3.3 above the finalisation of the 2018/19 outturn position is still underway and the projected outturn is subject to change and amendment. However, at this stage, after making planned adjustments to earmarked reserves, detailed in Appendix 2, the projected outturn position has improved from the February report and the expected requirement to draw down on our general reserve has been minimised. The annual accounts report to the June Audit Committee will make final recommendations for Board approval.

Update from 28 March Report (section 4.5)

	£m
Current balance General Reserves 2018/19	1.705
Less: Projected underspend (excluding prescribing)	0.044
Add: Potential Transfer from earmarked (Nov 18 report)	<u>0.657</u>
Interim Revised Balance	<u>2.406</u>

4.23 Housing Aids and Adaptations and Care of Gardens

- 4.24** The Housing Aids and Adaptations and Care of Gardens budgets are in scope as part of the minimum level of adult social care services which should be delegated to the HSCP Board.
- 4.25** The budgets are held within West Dunbartonshire Council's – Regeneration, Environment and Growth Directorate and are managed on behalf of the HSCP Board.
- 4.26** The summary interim position for 2018/19 to the 31 March is reported in the table below and reports an overall projected spend of £0.567m against the full year budget, resulting in small underspend of £0.004m, which will be reported as part of WDC's outturn position.

Table 4: Interim Financial Performance as at 31 March 2019

	Budget	Actual	Variance
Care of Gardens	321,125	316,968	4,157
Aids & Adaptations	250,000	250,000	0
Total	571,125	566,968	4,157

5. **2018/19 Capital Expenditure**

- 5.1 The progress to date of the individual “live” schemes funded by WDC and NHSGGC for the Health Social Care Partnership is detailed below.
- 5.2 The Project Board have been meeting on a fortnightly cycle to consider and approve the necessary actions to keep the project interdependencies of the new Clydebank Health and Care Centre and the Clydebank Care Home on track for expected completion.
- 5.3 There is no further update on the previously reported financial assessment of costs for the Health and Care Centre at this stage of the project. However there continues to be good progress on reducing the levels of risk around land matters, the requirements District Heating System and the Deed of Conditions.
- 5.4 There is potential that the Deed of Conditions could have an ongoing financial impact around the shared areas across the Queens Quay site, however NHSGGC and WDC legal colleagues are working closely together to ensure that the conditions will be fair and equitable.
- 5.5 As previously reported the construction progress of the new care home in Clydebank is on track, as evidenced by some Board members at a recent site visit. The 78 week build time expects to deliver the new home by June 2020 within the approved budget of £14.089 million.
- 5.6 The 2018/19 final outturn position for the Care Home and the Aids and Adaptations budgets are still being finalised, with the interim figures presented in the table below. The variance displayed against the care home is a timing variance based on the original phasing of the project. The remaining budget is rolled forward in 2019/20.

Table 5: Indicative Financial Performance as at 31 March 2019

	Budget	Actual	Variance
Replace Elderly Care Homes and Day Care Centres	8,145,941	2,497,567	5,648,374
Special Support Needs - Aids & Adaptations for HSCP clients	709,000	709,000	0

6. **2019/20 Budget Setting Update**

- 6.1 At the HSCP Special Board meeting on 28 March 2019, the members agreed to accept the 2019/20 indicative budget contribution of £91.113m from NHSGGC, subject to formal approval by the Health Board at their April meeting.

6.2 The NHSGGC Board met on the 16 April to approve the 2019/20 Financial Plan for the health board, including their contributions to the six Glasgow HSCP Boards. The Board agreed to uplift these budgets by 2.54% in line with the uplift received from the Scottish Government as well as a proportionate share of the additional funding for the agreed pay award.

6.3 As previously reported the 2019/20 roll forward recurring budget will be subject to some amendments, mainly in relation to Family Health Services (FHS) budgets. Until formal notification of the 2019/20 opening position is received the approved indicative budget remains in place.

7. People Implications

7.1 None.

8. Financial Implications

8.1 Other than the financial position noted above regarding the interim nature of the period 12 financial information, there are no other financial implications known at this time.

9. Professional Implications

9.1 In line with the Integration Scheme the Chief Officer and Chief Financial Officer presented for approval a financial recovery plan. The 2018/19 annual accounts process is underway and the HSCP Board accounts will be prepared on the basis required by legislation and best practice.

10. Locality Implications

10.1 None.

11. Risk Analysis

11.1 The main financial risks to the interim financial position relate to currently unforeseen costs and issues arising between now and the completion of the annual accounts process. Any impact on the 2019/20 approved budget will be presented to a future HSCP Board if required.

12. Impact Assessments

12.1 None.

13. Consultation

13.1 This report has been provided to the Health Board Assistant Director of Finance and the Council's Head of Finance and Resources.

14. Strategic Assessment

- 14.1** Proper budgetary control and sound financial practice are cornerstones of good governance and support the Partnership Board and officers to pursue the strategic priorities of the Strategic Plan.

Julie Slavin – Chief Financial Officer

Date: 01 May 2019

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Appendices: Appendix 1 – 2018/19 Update as at Period 12 INTERIM
Appendix 2 – Projected Reserves Position as at 31/03/19

West Dunbartonshire Health & Social Care Partnership **Appendix 1**
Financial Year 2018/19 period 12 covering 1 April to 31 March 2019 (INTERIM POSITION)

	Annual Budget £000's	Actual £000's	Variance £000's	Variance %
Health Care Expenditure				
Planning & Health Improvements	817	611	206	25.20%
Children Services - community	2,625	2,899	(274)	-10.45%
Children Services - specialist	1,592	1,659	(68)	-4.25%
Adult Community Services	9,618	9,779	(161)	-1.68%
Community Learning Disabilities	566	530	36	6.34%
Addictions	1,844	1,775	70	3.78%
Men Health - Adult Inpatient	0	0	(0)	
Mental Health - Adult Community	4,601	4,332	268	5.83%
Mental Health - Elderly Inpatients	3,505	3,504	1	0.03%
Family Health Services (FHS)	26,824	26,824	0	0.00%
GP Prescribing	19,306	19,383	(76)	-0.40%
Other Services	2,458	2,366	92	3.76%
Resource Transfer	15,088	15,088	(0)	9.00%
Hosted Services	7,485	7,210	275	3.67%
Expenditure	96,329	95,960	369	0.38%
Income	(5,268)	(5,268)	0	0.00%
Net Expenditure	91,061	90,693	369	0.40%
	Annual Budget £000's	Actual £000's	Variance £000's	% Variance
Social Care Expenditure				
Strategy Planning and Health Improvement	1,025	868	157	15.36%
Residential Accommodation for Young People	3,478	3,664	(186)	-5.35%
Children's Community Placements	4,530	5,515	(985)	-21.75%
Children's Residential Schools	1,247	2,187	(940)	-75.34%
Childcare Operations	3,905	4,058	(153)	-3.92%
Other Services - Young People	3,944	3,630	314	7.96%
Residential Accommodation for Older People	7,809	8,210	(401)	-5.13%
External Residential Accommodation for Elderly	13,376	13,571	(195)	-1.46%
Homecare	14,287	14,735	(448)	-3.14%
Sheltered Housing	1,963	1,747	215	10.97%
Day Centres Older People	1,275	1,243	32	2.55%
Meals on Wheels	58	49	9	14.78%
Community Alarms	369	425	(56)	-15.24%
Community Health Operations	2,754	2,761	(7)	-0.26%
Residential - Learning Disability	14,795	14,585	211	1.42%
Day Centres - Learning Disability	2,012	2,072	(60)	-2.98%
Physical Disability	3,307	3,259	48	1.44%
Addictions Services	1,660	1,483	177	10.65%
Mental Health	4,094	3,887	207	5.06%
Criminal Justice	2,075	2,094	(18)	-0.89%
HSCP - Corporate	3,726	2,004	1,721	46.20%
Expenditure	91,688	92,047	(359)	-0.39%
Income	(27,371)	(27,774)	403	-1.47%
Net Expenditure	64,317	64,273	44	0.07%
	Annual Budget £000's	Actual £000's	Variance £000's	Variance %
Consolidated Expenditure				
Older People Residential, Health and Community Care	37,221	37,785	(564)	-1.52%
Homecare	14,287	14,735	(448)	-3.14%
Physical Disability	3,307	3,259	48	1.44%
Children's Residential Care and Community Services (incl specialist)	21,320	23,612	(2,292)	-10.75%
Strategy Planning and Health Improvement	1,842	1,479	363	19.73%
Mental Health Services - Adult & Elderly Community and Inpatients	12,200	11,723	477	3.91%
Addictions	3,504	3,257	247	7.04%
Learning Disabilities - Residential and Community Services	17,374	17,187	187	1.07%
Family Health Services (FHS)	26,824	26,824	0	0.00%
GP Prescribing	19,306	19,383	(76)	-0.40%
Hosted Services	7,485	7,210	275	3.67%
Criminal Justice	2,075	2,094	(18)	-0.89%
Resource Transfer	15,088	15,088	(0)	0.00%
HSCP Corporate and Other Services	6,184	4,370	1,814	29.33%
Gross Expenditure	188,017	188,007	10	0.01%
Income	(32,639)	(33,042)	403	-1.24%
Total Net Expenditure	155,378	154,965	413	0.27%

RESERVES POLICY - 2% TARGET FOR UNEARMARKED RESERVES (excl FHS) as per 2019/20 Budget = £2.682m

Earmarked Balance:	Opening Bal	Drawdown	Additions	Final Bal	Notes
Integrated Care Fund	539,806			539,806	Scope to transfer an element to General Reserve.
Delayed Discharge	103,331			103,331	Will be utilised as a support to the additional beds in Crosslet.
GIRFEC NHS	129,556	-30,700		98,856	WDHSCP lead partnership. Will continue to be drawn down as required.
GIRFEC Council	13,333	-6,910		6,423	Will be fully spent by end of 2019/20.
Criminal Justice - transitional funds	71,355			71,355	Ring Fenced Funding from SG. Plans will be finalised after Inspection Report considered.
DWP Conditions Management	179,231	-4,746		174,485	WDHSCP lead partnership. Will continue to be drawn down as required.
TEC (Technology enabled care) project	172,293	-36,339		135,954	Ring Fenced Funding from SG. Additional funding received in year, therefore no drawdown required.
Primary Care Transformation Fund (incl CQL)	265,189	-16,767		248,422	Will be fully spent over the next 2 years.
Social Care Fund -Living wage	1,222,516			1,222,516	Ring Fenced Funding from SG. Plans for spend linked to PCIP objectives.
Social Care Fund - Service Redesign and Transformation	1,081,022	-10,000		1,071,022	There are still a couple of providers to agree offer for sleepover. However still scope to transfer an element to General Reserve.
Social Care Fund - Carers Act Implementation	37,000		146,000	183,000	HSCP Board approved 4 fixed term posts to support service redesign , transformation and absence. Approx cost = £0.400m
Physio waiting times initiative	125,000			125,000	Impact of Carers Act still not fully scoped, therefore reserve will be directed at additional demand.
Retinal Screening Waiting List Grading Initiative	60,000			60,000	MSK Physio has experienced unprecedented staff movement due to PCIP requirements. Referrals are increasing, therefore reserve will be utilised as required.
GP Premises Improvement Funding	47,000	-7,498	28,000	67,502	Delay in recruiting fixed term post to support the grading backlog. Will be utilised in 2019/20.
MSK Ortho Project	358,502	-358,502		0	Ring Fenced Funding from SG. Plans for spend linked to PCIP objectives.
MSK Govan SHIP Project Funding	31,049	-31,049		0	Fully utilised as final year of funding.
Mental Health - Action 15	0		123,244	123,244	Fully utilised as final year of funding.
Primary Care Improvement Plan	0		481,713	481,713	Ring Fenced Funding from SG. Delays in agreeing Glasgow wide plan and recruiting staff.
Primary Care GP Sub Committee	0		9,060	9,060	Ring Fenced Funding from SG. PCIP approved by Board and steady progress being made.
Primary Care Support NRAC Share	0		2,859	2,859	Linked to PCIP and will be fully utilised in 2019/20.
TEC Attend Anywhere	0		10,621	10,621	Linked to PCIP and will be fully utilised in 2019/20.
Alcohol & Drug Partnership	0		289,930	289,930	Ring Fenced Funding from SG. Will be fully utilised in 2019/20.
Prescribing Reserve	0	0	369,000	369,000	Ring Fenced Funding from SG received part way through 2018/19. Plan now approved by ADP.
	4,436,183	-502,511	1,460,427	5,394,099	Could allocate a proportion to General Reserves once the 2018/19 prescribing position is finalised?
Potential Transfer to General Reserves (Nov 18 Report)		-657,000		4,737,099	

Unearmarked Balance:	Opening Bal	Drawdown	Additions	Final Balance	Movement
General Reserves	1,705,039	0	44,000	1,749,039	Approximately £0.750m required to achieve 2% target. November 2018 Board update indicated potential to add approx £0.657m to balance. As the annual accounts are being finalised a recommendation will be made to the HSCP Board.
Potential Transfer to General Reserves (Nov 18 Report)			657,000	2,406,039	

Total Reserves:	Opening Bal	Drawdown	Additions	Final Balance	Movement
Earmarked & Unearmarked	6,141,222	-502,511	1,504,427	7,143,138	

**WEST DUNBARTONSHIRE HEALTH AND SOCIAL CARE PARTNERSHIP
BOARD**

8 May 2019

Subject: Procurement of Contracts

1. Purpose

1.1 This report seeks Board authorisation to initiate the procurement processes, which may be awarded to third party providers; for the procurements set-out in Appendix 1.

2. Recommendations

2.1 It is recommended that the Board:

- a) Authorise the initiation of the procurement processes, which may be awarded to third party providers; for the procurements set-out in Appendix 1;
- b) Authorise the continuation of the those social care placements currently procured through the National Care Home Contract and Scotland Excel's Framework Agreements;
- c) Note that on conclusion of the procurement processes, further reports will be submitted to the WDC Tendering Committee with recommendations on the award of the contracts and for noting on emergency placements; and
- d) Note the 2019/20 annual value of the procurements set-out in Appendix 1, is estimated at £40.121m.

3. Background

3.1 The HSCP Board in delivering on the priorities of their Strategic Plan, commission services from both West Dunbartonshire Council (WDC) and Greater Glasgow and Clyde Health Board (NHSGGC). A significant proportion of these services are delivered by teams employed by WDC and NHSGGC, however, predominately within the delivery of Social Care Services, we are required to contract with external providers and 3rd sector partners.

3.2 In financial year 2017/2018, the 'spend on contract' for the West Dunbartonshire Health and Social Care Partnership (WC HSCP) was 55%. It is anticipated that the 'spend on contract' in financial year 2018/2019 will be lower. The WD HSCP; working with West Dunbartonshire Council's (the Council) Corporate Procurement Unit have developed a plan to address this. The procurements set-out in Appendix 1 needs to be addressed in order to

ensure compliance with the procurement legislation and the Council's Standing Orders and Financial Regulations and to demonstrate best value.

4. Main Issues

4.1 West Dunbartonshire Council, in their role as the contracting authority for the HSCP Board within its Financial Regulations for sets out the Procurement requirements when goods and services can only be provided by an external party. Below is an extract from Section Q (3):

- For all contracts having an estimated value of more than £50,000, no procurement activity will commence unless and until each of the following conditions have been met:-
 - Sufficient budgetary provision exists (Capital, Revenue or both) in terms of the Standing Orders and these Financial Regulations;
 - Express Council, Committee or other relevant authority has been granted in accordance with Standing Orders or the Council's Scheme of Delegation; and
 - A Contract Strategy, in the format approved by the Corporate Procurement Manager, has been agreed.

4.2 Except for emergency placements, all procurements carried out in excess of £50,000 are subject to a contract strategy. These contract strategies will be developed by the Corporate Procurement Unit in close consultation with the WD HSCP. The contract strategies shall include but may not be limited to:

- contract scopes;
- service forward plans;
- the markets;
- changing demands;
- procurement models and routes – including existing delivery vehicles, roles and responsibilities, risks, issues and opportunities; and
- on-going contract management.

4.3 For the HSCP, approximately 42% (£40m) of its available budget resource is directed to payments to external and third sector providers. The procurement of these services should be secured under the regulations set out in Section Q (3) detailed above.

4.4 The contract strategies for the procurements set-out in Appendix 1 will be progressed, with the exception of:

- Older people care home placements (£13.5m) covered by the National Care Home Contract;
- Learning Disability Residential placements placed under Scotland Excel Framework Agreements - 2 clients (£0.5m);

- Residential and secure placements (£2.4m) for children and young people placed under Scotland Excel Framework Agreements; and
- Fostering placements (£2.2m) for children and young people placed under Scotland Excel Framework Agreements.

4.5 An emergency placement arises because someone is at risk of harm and therefore there is an urgent requirement to place the vulnerable child or adult. There is no time to develop a contract strategy. Emergency placements are not separately budgeted for, however given the volatile nature of social care placements, especially around children's services; all efforts are made to contain any new commitments within the overall HSCP approved budget. Any variation on budget is reported regularly within the financial performance reports together with mitigating action.

4.6 On conclusion of the procurement set-out in Appendix 1, further reports will be submitted to the WDC Tendering Committee with recommendations on the award of the contracts and for noting for emergency placements, (copied to the HSCP Board).

5. People Implications

5.1 There are no people implications associated with this report.

6. Financial and Procurement Implications

6.1 The budget descriptions and the estimates for financial year 2019/20 (as detailed in Appendix 1) are subject to amendment in finalising budget adjustment approvals and application of Scottish Living Wage allocation.

6.2 The HSCP Board members are informed through financial performance reports on material variations of spend against budget. While the budget setting exercise endeavours to build the budget based on actual care packages, with cognisance of inevitable variations and demographic pressures, the spend profile across the individual care headings (detailed in Appendix 1) will be subject to change. The reports to the WDC Tendering Committee will be provided to the HSCP Board for information and will allow members to analyse and challenge how expenditure profiles impact on the Strategic Plan priorities.

6.3 The procurements set-out in this report; ensures compliance with the procurement legislation and the Council's Standing Orders and Financial Regulations.

7. Risk Analysis

7.1 The Corporate Procurement Unit will check if any provider has known links to Serious and Organised Crime which would have significant political and reputational ramifications for the WD HSCP and the Council.

7.2 Should the Board decide not to proceed as recommended then this will delay procurements, may have a reputational risk, financial implications and may result in legal challenges.

8. Equalities Impact Assessment (EIA)

8.1 Before the contract strategies are approved, the screening will be done to determine if the EIA have to be completed.

9. Consultation

9.1 The Council's Corporate Procurement Unit has been consulted in relation to this report.

10. Strategic Assessment

10.1 Procurement compliance and sound financial practice are cornerstones of good governance and support the WD HSCP to pursue the strategic priorities of the Strategic Plan.

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Designation: Chief Officer

Date: 01 May 2019

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Appendices: Appendix 1 - Procurements

Background Papers: WDC Financial Regulations and Standing Orders

Wards Affected: All Wards.

Procurement name	Estimate 19/20
	£'000
Strategy , Planning and Health Improvement	
Carers Support and Advice	350
Mental Health, Learning Disability & Addictions	
Addiction Support Services - Alcohol Prevention	266
Residential Care for People with Learning Disabilities (including residential respite)	1,270
Fostering for Adults with a Learning Disability	134
Short Breaks for People with a Learning Disabilities	457
Independent Advocacy for Adults	132
Residential Care for People with Mental Health (including residential respite)	1,008
Recovery Group Work Programmes (Substance Misuse)	309
Accommodation Based Services for People with Learning Disabilities in the Community (Housing Support/Supported Living/Sleepover) and Day Support (Community Based Activities)	10,002
Adult Addictions Residential (Housing / Accommodation) Support Services	96
Residential Care for People with Addictions	236
Accommodation Based Services for People with Mental Health and (Housing Support/Supported Living/Sleepover) and Day Support (Community Based Activities)	1,293
Mental health client support	380
Children's Health, Care & Criminal Justice	
Children and Young People - Residential Care and Education, Day and Respite Care -HSCP	2,364
Children's Short Breaks	241
Community Service (Justice Services)	56
Support services for young people	202
Continuing care for young people	691
Payment to external Fostering agencies	2,175
Adoption legal fee and interagency costs	488

Community Health ,Phyiscal Disabilites & Care Services	
Residential Care for Older People (National Care Home Contract)	13,496
Older people day services	129
Sheltered housing support	258
Residential Care for People with Physical Disabilities (including residential respite)	1,119
Accommodation Based Services for People with Physical Disabilities (Housing Support/Supported Living/Sleepover) and Day Support (Community Based Activities)	1,082
Accommodation Based Services for Older People Care at Home	1,887
Total	40,121