
To: Renfrewshire Integration Joint Board Audit, Risk and Scrutiny Committee

On: 12 March 2021

Report by: Interim Chief Officer

Subject: Audit Scotland Report ‘NHS in Scotland 2020: Lessons to be learned from pandemic response’

1. Summary

- 1.1 On 17 February 2021, Audit Scotland published the report “NHS in Scotland 2020: Lessons to be learned from pandemic response”. The report considers the Scottish Government and NHS response to the significant and unprecedented challenges of the COVID-19 pandemic and highlights: the impact on health; pandemic preparedness; NHS remobilisation and NHS finances and performance.
- 1.2 The report concludes that the “Scottish Government acted quickly to prevent the NHS from being overwhelmed by COVID-19, but it could have been better prepared to respond to the pandemic”. A summary of the findings is provided in the sections below.
- 1.3 The report recognises that staff across the NHS and Scottish Government took early action during the first wave in 2020, including increasing intensive care capacity and pausing non-urgent treatment. Service innovation was also highlighted and in particular the swift upscaling of video consultations.
- 1.4 However, there is now a substantial backlog of patients, with NHS boards prioritising those in most urgent need. Audit Scotland suggests that the backlog will be hard for NHS boards to deal with alongside the financial and operational challenges they already face.
- 1.5 The Scottish Government based its initial response to COVID-19 on the 2011 UK flu pandemic preparedness strategy. Scotland took part in three pandemic preparedness exercises in the years before the coronavirus outbreak. However not all the actions identified in these exercises were fully implemented. These included measures to ensure access to enough PPE and to quickly address social care capacity, both of which became significant issues during the first wave of COVID-19.

- 1.6 At the time of writing the report, COVID-19 had caused or contributed to the deaths of around 9,000 people in Scotland. People from the most deprived areas, of South Asian origin, or of Caribbean or Black ethnicity are among those who have suffered disproportionately from the pandemic. Deaths from other causes were also higher than average at the start of the pandemic.
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2. Recommendations

The Integration Joint Board Audit, Risk and Scrutiny Committee is asked to:

- Note the content of this report, attached in Appendix 1.
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3. Background and Context

- 3.1 Audit Scotland publish an annual report on how the NHS in Scotland is performing. The overall aim of the audit is to answer the question: How well is the NHS in Scotland performing and is it equipped to deal with the challenges ahead? The focus for the NHS in Scotland 2020 report is the lessons to be learned from pandemic response.

- 3.2 The key messages from the report are:

- The challenges presented by COVID-19 are significant and unprecedented. Staff across the NHS and Scottish Government have worked hard, in challenging circumstances, to respond quickly to the pandemic. NHS frontline staff have put themselves at risk to meet the demands presented by COVID-19, reflecting their extraordinary commitment to public service. The NHS implemented several actions during the first wave of COVID-19 that prevented it from becoming overwhelmed, such as increasing intensive care capacity and stopping non-urgent planned care. The Scottish Government's Test and Protect strategy is crucial to suppressing the virus and will continue to be until COVID-19 vaccinations are fully rolled out.
- Some people have been more adversely affected by COVID-19 than others. For instance, those from the most deprived areas are twice as likely to die from COVID-19 than those in the least deprived areas. COVID-19 has so far caused or contributed to the deaths of almost 9,000 people across Scotland, and deaths from other causes were also higher than average at the start of the pandemic. The NHS workforce has been under considerable pressure during the pandemic, with high levels of work-related stress reported.

- The Scottish Government could have been better prepared to respond to the COVID-19 pandemic. It based its initial response on the 2011 UK Influenza Pandemic Preparedness Strategy but did not fully implement improvements identified during subsequent pandemic preparedness exercises. It also did not include an influenza pandemic as a standalone risk in its corporate or health and social care directorate risk registers, despite assessing it as high risk.
- COVID-19 has exacerbated the existing financial and operational challenges in the NHS and is predicted to cost £1.67 billion in 2020/21. Most NHS boards achieved their savings targets in 2019/20, but four NHS boards needed additional financial support from the Scottish Government to break even. Responding to the pandemic has resulted in significant additional expenditure across health and social care and there is uncertainty about the longer-term financial position.
- Remobilising the full range of NHS services is challenging and maintaining innovation and learning from the pandemic will be essential. COVID-19 has led to a substantial backlog of patients waiting for treatment. NHS boards are prioritising those in most urgent need; those who are of lower clinical priority will have to wait longer. NHS leaders need to work collaboratively, in partnership across public services, to deal with the ongoing challenges caused by COVID-19 and to remobilise services.

3.3 Audit Scotland have made a series of recommendations specifically for the Scottish Government:

- Ensure that NHS National Services Scotland returns to procuring personal protective equipment (PPE) through a competitive tender process as soon as practicable, considering options that reduce the environmental impact where possible, while demonstrating good value for money and robust quality assurance.
- Update and publish national pandemic guidance for health and social care as a priority. The scope of this guidance should not be limited to covering only an influenza pandemic and it should include lessons learned from the COVID-19 pandemic and the previous pandemic preparedness exercises.
- Ensure that the work undertaken as part of the re-mobilise, recover, re-design programme of work has clear priorities that align with the remobilisation framework. Work should be

monitored and reported to ensure sufficient progress is being made.

- Work with its partners to update the integrated workforce plan. This should consider how services will be delivered differently in the future, and how this will affect the shape of the health and social care workforce in the longer term.
- Ensure that all NHS leaders, particularly those newly appointed, have the support they need to balance the ongoing challenges presented by COVID-19 with the need to remobilise health and social care services.

3.4 In addition, there are also joint recommendations for the Scottish Government and NHS boards:

- Monitor and report on the effectiveness of the measures introduced to support the health and wellbeing of staff, to assess whether sufficient progress is being made.
- Take action to meet the needs of those whose access to healthcare has been reduced as a result of the pandemic and monitor the long-term impact of this on health outcomes.
- Publish data on performance against the clinical prioritisation categories to enable transparency about how NHS boards are managing their waiting lists.

3.5. With regards to the recommendations made by Audit Scotland on remobilisation planning, NHS Greater Glasgow and Clyde is currently working with partners to develop its third remobilisation plan to cover the period from April 2021 to March 2022. This plan will build on previous remobilisation activity and plans and will reflect national policies and guidelines. It will also need to be developed in the context of ongoing uncertainty about the impact of COVID over the planning period.

Implications of the Report

1. **Financial** – None
2. **HR & Organisational Development** – None
3. **Community Planning** – None
4. **Legal** – None
5. **Property/Assets** – None

6. **Information Technology** – None
 7. **Equality & Human Rights** - None
 8. **Health & Safety** - None
 9. **Procurement** – None
 10. **Risk** - Failure by services to meet and exceed the National Care Standards could lead to poor inspection results and enforcement action from the Care Inspectorate, as well as negative outcomes for service users and carers.
 11. **Privacy Impact** – None
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List of Background Papers - None

Author: Yvonne Farquhar, Service Planning and Policy Development Manager,
Chief Executive's Service, Renfrewshire Council

Any enquiries regarding this paper should be directed to Frances Burns, Head of Strategic Planning and Health Improvement (Frances.Burns@renfrewshire.gov.uk / 0141 618 7621)

NHS in Scotland 2020



AUDITOR GENERAL 

Prepared by Audit Scotland
February 2021

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Audit team

The core audit team consisted of Leigh Johnston, Fiona Watson, Eva Thomas-Tudo and John Kirkwood, with support from other colleagues and under the direction of Angela Canning.

Links

-  PDF download
 -  Web link
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Summary



Key messages

- The challenges presented by Covid-19 are significant and unprecedented. Staff across the NHS and Scottish Government have worked hard, in challenging circumstances, to respond quickly to the pandemic. NHS frontline staff have put themselves at risk to meet the demands presented by Covid-19, reflecting their extraordinary commitment to public service. The NHS implemented several actions during the first wave of Covid-19 that prevented it from becoming overwhelmed, such as increasing intensive care capacity and stopping non-urgent planned care. The Scottish Government's Test and Protect strategy is crucial to suppressing the virus and will continue to be until Covid-19 vaccinations are fully rolled out.
- Some people have been more adversely affected by Covid-19 than others. For instance, those from the most deprived areas are twice as likely to die from Covid-19 than those in the least deprived areas. Covid-19 has so far caused or contributed to the deaths of almost 9,000 people across Scotland, and deaths from other causes were also higher than average at the start of the pandemic. The NHS workforce has been under considerable pressure during the pandemic, with high levels of work-related stress reported.
- The Scottish Government could have been better prepared to respond to the Covid-19 pandemic. It based its initial response on the 2011 UK Influenza Pandemic Preparedness Strategy but did not fully implement improvements identified during subsequent pandemic preparedness exercises. It also did not include an influenza pandemic as a standalone risk in its corporate or health and social care directorate risk registers, despite assessing it as high risk.
- Remobilising the full range of NHS services is challenging and maintaining innovation and learning from the pandemic will be essential. Covid-19 has led to a substantial backlog of patients waiting for treatment. NHS boards are prioritising those in most urgent need; those who are of lower clinical priority will have to wait longer. NHS leaders need to work collaboratively, in partnership across public services, to deal with the ongoing challenges caused by Covid-19 and to remobilise services.

- Covid-19 has exacerbated the existing financial and operational challenges in the NHS and is predicted to cost £1.67 billion in 2020/21. Most NHS boards achieved their savings targets in 2019/20, but four NHS boards needed additional financial support from the Scottish Government to break even. Responding to the pandemic has resulted in significant additional expenditure across health and social care and there is uncertainty about the longer-term financial position.

Recommendations

The Scottish Government should:

- ensure that NHS National Services Scotland returns to procuring personal protective equipment (PPE) through a competitive tender process as soon as practicable, considering options that reduce the environmental impact where possible, while demonstrating good value for money and robust quality assurance ([paragraph 17, page 12](#))
- update and publish national pandemic guidance for health and social care as a priority. The scope of this guidance should not be limited to covering only an influenza pandemic and it should include lessons learned from the Covid-19 pandemic and the previous pandemic preparedness exercises ([paragraph 46, page 21](#))
- ensure that the work undertaken as part of the re-mobilise, recover, re-design programme of work has clear priorities that align with the remobilisation framework. Work should be monitored and reported to ensure sufficient progress is being made ([paragraph 56, page 25](#))
- work with its partners to update the integrated workforce plan. This should consider how services will be delivered differently in the future, and how this will affect the shape of the health and social care workforce in the longer term ([paragraph 57, page 25](#))
- ensure that all NHS leaders, particularly those newly appointed, have the support they need to balance the ongoing challenges presented by Covid-19 with the need to remobilise health and social care services ([paragraph 60, page 26](#)).

The Scottish Government and NHS boards should:

- monitor and report on the effectiveness of the measures introduced to support the health and wellbeing of staff, to assess whether sufficient progress is being made ([paragraph 23, page 14](#))
 - take action to meet the needs of those whose access to healthcare has been reduced as a result of the pandemic and monitor the long-term impact of this on health outcomes ([paragraph 27, page 16](#)) ([paragraph 49, page 22](#))
 - publish data on performance against the clinical prioritisation categories to enable transparency about how NHS boards are managing their waiting lists ([paragraph 48, page 22](#)).
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Introduction



1. The Covid-19 pandemic has created a unique and challenging set of circumstances for the NHS in Scotland. This report outlines the response to the pandemic by the NHS in Scotland and presents an overview of its financial and operational performance for 2019/20 ([Appendix 1, page 37](#)).

2. The Scottish Government and NHS in Scotland's response to Covid-19 continues to develop as the pandemic progresses. Policy and guidance are being updated frequently and our findings reflect the situation at January 2021, using information available prior to publication. We plan to consider the longer-term impact of Covid-19 in our *NHS in Scotland 2021* report.

3. We would like to acknowledge the support and assistance provided by the Scottish Government and NHS boards that has enabled us to prepare this report.

The response to Covid-19



The challenges presented by Covid-19 are significant and unprecedented The Scottish Government and NHS in Scotland responded quickly to the rapidly developing pandemic

4. The response to the Covid-19 pandemic by the Scottish Government and NHS Scotland began soon after the emergence of the outbreak in China, before any cases had been confirmed in Scotland. In January 2020, the Scottish Government started to implement its emergency response plans. This included attending the UK Government's COBRA meetings and activating the Scottish Government Resilience Room (SGoRR). The SGoRR is the main point of contact between the UK Government and Scotland's resilience partnerships in the event that UK-level action is initiated.¹ The four nations of the UK coordinated their initial response to the pandemic, publishing a joint Covid-19 action plan on 3 March 2020.² This action plan is based on the 2011 UK Influenza Pandemic Preparedness Strategy.³ Military liaison officers were deployed to NHS boards to assist with logistics and planning.

5. The Scottish Government established a Covid-19 directorate, with a workforce of staff redeployed from other departments across the government. There was good oversight and regular communication across the NHS and Integration Authorities (IAs) from the Scottish Government.⁴ NHS boards revised their governance arrangements during the pandemic. Some reduced in size or suspended subcommittees, while maintaining close contact with the Scottish Government and their local partners.

The NHS implemented a number of actions that prevented it from becoming overwhelmed

6. The Scottish Government had difficult decisions to make about how to prevent the NHS from becoming overwhelmed during the first wave of the Covid-19 pandemic. There are longer-term risks associated with some of these decisions, but the Scottish Government needed to prioritise creating additional capacity for Covid-19 patients. From March 2020, the Scottish Government instructed NHS boards to implement several key actions at pace, that enabled them to treat Covid-19 patients while maintaining vital emergency, maternity and urgent care. For instance:

- All non-urgent surgery, treatment and appointments were suspended, and national screening programmes for some types of cancer were paused. This enabled existing facilities and equipment to be repurposed and staff to be retrained and redeployed to support the response to Covid-19.
- The number of intensive care beds was increased from 173 to 585.⁵ This meant that the NHS had sufficient intensive care capacity throughout the first wave of the pandemic. The number of patients in intensive care beds

(including non-Covid-19 patients) exceeded the original capacity between 31 March and 24 April, peaking at 250 on 9 April. The number of Covid-19 patients in intensive care beds peaked at 221 on 12 April.

- A rapid discharge strategy was introduced with the aim of reducing delayed discharges from hospital. This resulted in a reduction of 64 per cent, from 1,612 on 4 March to 580 on 27 April. The impact of this strategy on outbreaks of Covid-19 in care homes is discussed in [paragraph 29, page 17](#).
- NHS workforce capacity was increased, which enhanced NHS resilience. During the first wave of Covid-19, 4,880 nursing students were deployed, registration dates for 575 junior doctors were brought forward and recently retired NHS staff were invited to return to work. An accelerated recruitment portal was also launched, which received 16,000 expressions of interest.
- Digital improvements were rolled out across the NHS including software to facilitate working from home, and the use of virtual appointments such as Near Me increased.⁶ Video consultations increased from about 300 per week in March 2020 to more than 18,000 per week in November 2020. By December, more than 600,000 video consultations had taken place.
- The NHS Louisa Jordan, a temporary hospital at the Scottish Event Campus in Glasgow, was established. It was set up in under three weeks and was operational by 20 April, with an initial capacity of 300 beds, and the ability to expand to 1,036 beds if needed – including 90 intensive care unit (ICU) beds. The hospital has not yet been needed to treat Covid-19 patients. It has been used for outpatient appointments and for diagnostic services such as X-ray and ultrasound. By January 2021, the facilities had also been used to train more than 5,000 healthcare staff and students and vaccinate nearly 10,000 NHS staff.⁷ The hospital remains on standby to receive Covid-19 patients if needed.
- Covid-19 community hubs and assessment centres were established. These hubs assess patients presenting with Covid-19 symptoms in the community, relieving pressure on GP surgeries. Between March 2020 and January 2021, over 250,000 consultations for advice or assessment were conducted through these hubs and centres.⁸

7. Cases of Covid-19 in Scotland decreased significantly over summer 2020 but started to increase again throughout autumn and winter.⁹ The NHS already faces more demand and pressure over winter months and increasing cases of Covid-19 exacerbated these existing challenges. The Scottish Government published its *Winter Preparedness Plan* in October 2020, which outlined several strategies during the second wave to prevent the NHS from becoming overwhelmed. Strategies included the ability to expand ICU capacity again if needed, while maintaining access to essential healthcare services, including mental health support. Some of the strategies for suppressing Covid-19 during the second wave differed from the response during the first wave.¹⁰ For instance:

- An extensive vaccination programme has been implemented. Three Covid-19 vaccines have been approved by the UK Medicines and Healthcare Products Regulatory Agency. The Scottish Government committed that by 5 February 2021, care home staff and residents, frontline health workers and people aged over 80 years in the community will have received their first dose. By 1 February 2021, more than 500,000 people had received

their first vaccination. The Scottish Government also increased eligibility criteria for the flu vaccine, to help prevent additional pressure being placed on the NHS.

- The Test and Protect programme is being expanded to help suppress the virus. The Scottish Government increased testing capacity, widened eligibility criteria, and improved contact tracing processes to quickly isolate potential cases.
- New clinical triage arrangements for urgent care have been introduced through NHS 24. This aims to optimise access to care by offering virtual appointments or a face-to-face appointment, if required, at the nearest Accident and Emergency (A&E). This aims to reduce demand on healthcare services under pressure and avoid unnecessary travel and waiting in crowded areas.

The Test and Protect strategy is crucial to suppressing the virus and will remain so until Covid-19 vaccinations are fully rolled out

8. Testing, tracing and isolating all cases of Covid-19, and quarantining their contacts is essential to control transmission of the virus.¹¹ The Scottish Government published its Test and Protect strategy on 4 May 2020. The strategy aims to control the spread of Covid-19 by identifying local outbreaks in the community and tracing contacts to prevent further transmission. The Scottish Government set up a new directorate to lead the strategy and launched the Test and Protect programme on 28 May.

9. The Scottish Government recognised that having enough capacity to test all possible cases of Covid-19 would be essential for the Test and Protect strategy to be effective. The Scottish Government planned to increase testing capacity in Scotland to 65,000 per day by December 2020. This target was achieved, with a maximum capacity for more than 68,000 tests per day created by the end of December. By the end of January 2021, Scotland had a maximum capacity for more than 77,000 tests per day. The majority of testing capacity was provided by the UK Government testing programme (64 per cent) and the remainder by NHS Scotland laboratories (36 per cent).

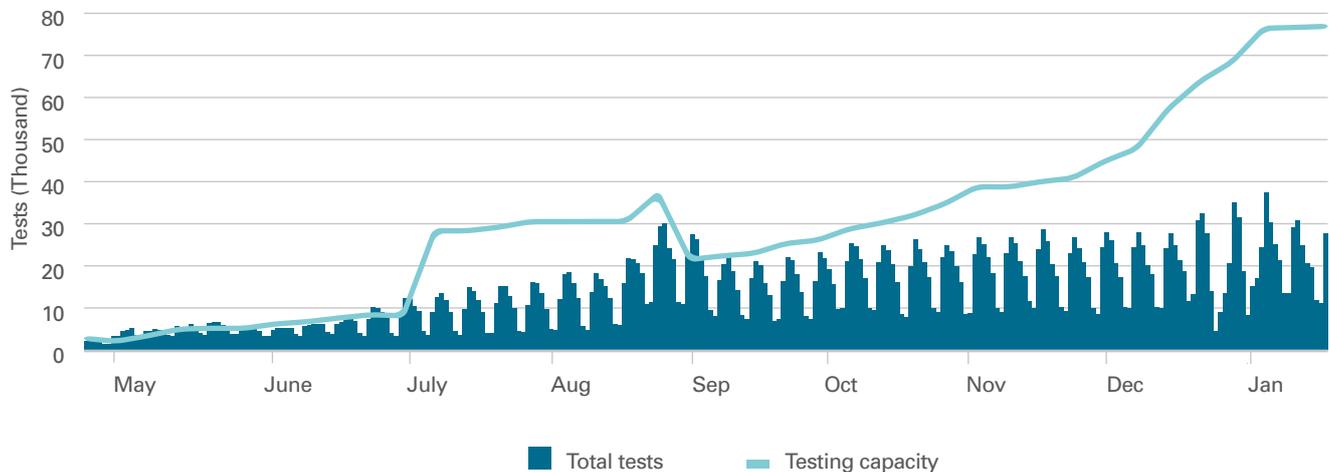
10. The number of tests carried out has not yet increased in line with this additional capacity. In October 2020, the Scottish Government estimated that demand for tests based on eligible groups at the time would be about 54,000 per day by winter. In January 2021, an average of just over 21,000 tests were carried out per day ([Exhibit 1, page 10](#)). The Scottish Government intends to use the additional capacity to expand eligibility for testing to certain people without symptoms. This includes expanding asymptomatic community testing, and introducing routine testing for:

- workplaces providing essential services where the risk of transmission is high, such as food processing and distribution, and emergency service control rooms
- additional health and care staff such as GPs, pharmacists and community nurses
- close contacts of confirmed cases
- supporting the return to schools.

Exhibit 1

Covid-19 testing capacity and total tests carried out from April 2020 to January 2021

The Scottish Government achieved its target to have capacity for 65,000 tests per day by the end of December 2020. The number of tests carried out has not yet increased in line with the additional capacity.



Notes:

1. In June 2020, Public Health Scotland and the Scottish Government began reporting total capacity as 'NHS Scotland capacity plus full capacity of the Glasgow Lighthouse lab'.
2. In August 2020, total capacity was calculated as NHS Scotland capacity plus a population share of the total UK lighthouse lab network.
3. Capacity data from 21 April to 11 October 2020 was reported by Public Health Scotland. Capacity data from 12 October was reported by NHS NSS and NHS England. Scotland's share of UK Government testing capacity is included from 30 June.

Source: Scottish Government and Public Health Scotland

Between November 2020 and January 2021, enough contacts of people testing positive with Covid-19 have been traced for the system to work effectively

11. Contact tracing is an essential part of the Test and Protect strategy. This is carried out by health protection teams within territorial NHS boards and by the National Contact Tracing Centre (NCTC) managed by NHS National Services Scotland (NHS NSS). The Scottish Government also launched the Protect Scotland app in September 2020, which alerts users if they have been in contact with another app user who has tested positive for the virus. It complements existing contact tracing processes and has more than 1.8 million users.

12. The Scottish Government asked NHS boards to make 2,000 staff from within existing resources available for contact tracing activity ahead of the launch of Test and Protect in May 2020. This was achieved, with 2,002 staff being made available for deployment across NHS boards and the NCTC if required. As prevalence of the virus decreased and NHS services started to resume over summer 2020, some staff returned to their substantive positions. This meant that contact tracing capacity was reduced, with 717 staff being available on 26 August 2020. As cases started to rise again, more staff were rostered to keep up with demand. At 23 December 2020, 2,707 staff had been fully trained in contact tracing.

13. The Scientific Advisory Group for Emergencies (SAGE) agreed that at least 80 per cent of contacts need to be reached for the system to be effective. It also found that contacts that were not isolated within 48-72 hours led to significantly increased spread of the virus.¹² In Scotland, enough cases have had their contacts

traced for the system to work well (95 per cent between 26 October and 24 January). On average, over the same timeframe 84 per cent of contacts of positive cases were traced within 72 hours.¹³ The Test and Protect strategy will remain central to suppressing Covid-19 until the Covid-19 vaccinations are fully rolled out.

Demand for PPE has been unprecedented with shortages early in the pandemic, but the situation has since improved

14. There has been huge global demand for personal protective equipment (PPE) since the start of the pandemic.¹⁴ The Scottish Government had a pandemic PPE stockpile in place, as part of a UK-wide approach, but the PPE requirements during the Covid-19 pandemic were unprecedented. For example, in early February 2020, NHS NSS shipped 96,911 items of PPE weekly, however by 6 April this figure was 24,496,200 weekly. Therefore, the pandemic PPE stockpile was not enough to fully meet the demands of the NHS. For example:

- Some NHS boards reported shortages of certain items of PPE early in the pandemic. NHS boards set up PPE groups to monitor and manage PPE availability. Local supply chains were disrupted during the pandemic, so the National Distribution Centre supplied the majority of PPE.¹⁵ In some instances, however, NHS boards had to procure some items directly.
- In a survey of Scottish members carried out in late April 2020, the British Medical Association (BMA) reported that some doctors did not have access to correct and sufficient PPE. This was highlighted as the most concerning issue for 16 per cent of respondents.¹⁶ Those working in higher-risk areas reported shortages of a number of items of PPE, including full-face visors (29 per cent) and long-sleeved disposable gowns (16 per cent).
- The Royal College of Nursing (RCN) surveyed its members in Scotland in April 2020.¹⁷ It found that, of those respondents working in high-risk environments, 25 per cent had not had their mask fit tested and 47 per cent were asked to reuse single-use equipment.

NHS National Services Scotland has played a vital role in securing and distributing Scotland's PPE supply throughout the pandemic

15. Initial difficulties in supplying and distributing sufficient PPE across the NHS in Scotland have since been resolved and supply is now meeting demand. The central coordination by NHS NSS has been vital in supplying the health and social care sector with PPE throughout the pandemic. Its remit was extended to include distributing PPE directly to General Medical Services, such as GP surgeries and community pharmacies, and social care settings, including private providers. From April 2020, NHS NSS established 48 regional hubs, where PPE has been stored and distributed to social care providers and unpaid carers. Councils and IAs manage the hubs. Between 1 March 2020 and 27 January 2021, NHS NSS had distributed more than 800 million items of PPE to health and social care services throughout Scotland.¹⁸

16. Because of the unprecedented need for PPE and how quickly it was required, NHS NSS procured PPE under emergency regulations, rather than through a competitive tender process as normal. The cost of PPE increased globally because of increased demand. In March 2020, the World Health Organization called on industry and governments to increase PPE manufacturing by 40 per cent to meet demand. In response, NHS NSS worked with a multi-agency team, including Scottish Enterprise and the Scottish Government, to establish new

supply chains with a number of Scotland-based companies. Agreements included providing 40,000 non-sterile gowns per week and a contract to supply high-protection, medical-grade face masks and visors until summer 2021.¹⁹

17. In October 2020, the Scottish Government published its PPE action plan, which outlined its plans for maintaining sufficient supply of PPE to health and social care over the winter.²⁰ The action plan sets out the intention to significantly increase the amount of PPE that is manufactured in Scotland. The Scottish Government aims for over 90 per cent of Scotland's demand for PPE (excluding gloves) to be supplied from Scottish manufacturers by March 2021. This would support its aim to develop a robust and resilient supply chain of many critical items of PPE for any potential future outbreak. The Scottish Government should ensure that NHS NSS returns to procuring PPE through a competitive tender process as soon as practicable. It should consider options that are more environmentally friendly, such as reusable gowns, where possible, while demonstrating value for money and robust quality assurance. We will cover PPE arrangements during the pandemic in more detail in our forthcoming work on this topic.

18. The Scottish Government has been providing PPE across health and social care, free of charge during the pandemic. It has committed to continue this support until the end of June 2021. It is not clear what support, if any, will be available beyond this date for those who were previously responsible for their own PPE supplies.

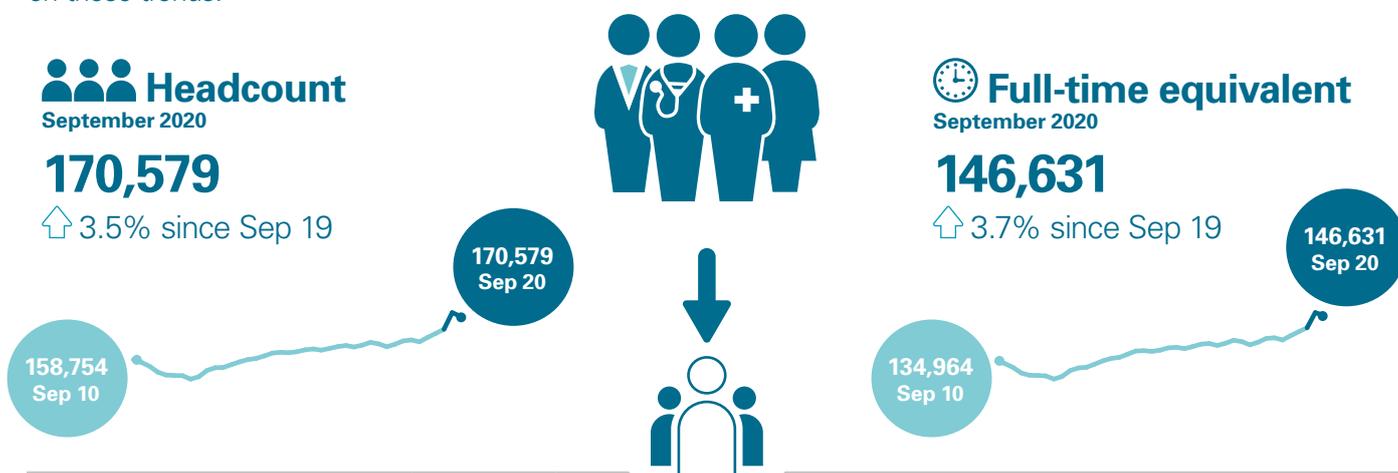
The NHS workforce has been under considerable pressure during the pandemic

19. We have highlighted in previous reports that the NHS workforce has been under pressure for several years.²¹ It has been increasingly difficult to recruit enough people with the necessary skills and using temporary staff has become commonplace ([Exhibit 2, page 13](#)). During the pandemic, staff across the Scottish Government and NHS in Scotland worked hard to maintain essential services. Some staff have been redeployed and retrained, and new staff have been appointed, to support the response to the pandemic. It is too soon to tell what impact this additional recruitment during the pandemic will have on the NHS workforce in the longer term.

Exhibit 2

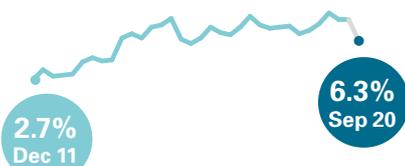
NHS workforce update

The number of people working for the NHS continues to increase, but the NHS continues to struggle to recruit people with the necessary skills. It is too soon to tell what the longer-term impact of the Covid-19 pandemic will be on these trends.



Vacancy rates (September 2020)

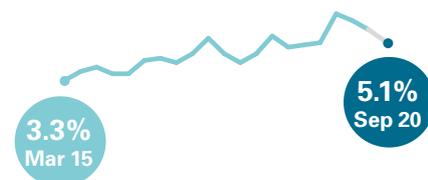
Consultant



55%

vacancies open for at least six months
↑ from 52% in Sep 19

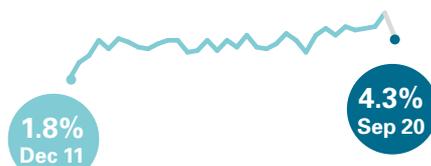
Nursing and midwifery



29%

vacancies open for at least three months
↑ from 28% in Sep 19

Allied health professional



32%

vacancies open for at least three months
↓ from 33% in Sep 19

Temporary staffing costs (2019/20) in real terms

Medical locum

£102.9m
2018/19 - £99.9m
2015/16 - £106.6m

Nursing agency

Data not available for 2019/20
2018/19 - £26.7m
2015/16 - £25.5m

Nursing bank

£180m
2018/19 - £165m
2015/16 - £145.9m

Sickness absence

5.3%

↓ down from 5.4% in 2018/19

Staff turnover

6.4%

↔ no change from 2018/19

20. To better understand the experiences of staff working in health and social care during the pandemic, the Scottish Government and unions have conducted a series of surveys:

- BMA Scotland surveyed Scottish doctors in April 2020.²² The survey showed nearly 40 per cent of 1,171 respondents reported problems with depression, anxiety, stress, burnout, emotional distress or other mental health conditions relating to their work. This had worsened for 25 per cent of respondents during the pandemic.
- The RCN conducted a UK-wide survey in May 2020.²³ It received almost 42,000 responses and reported that nurses feel undervalued and under pressure. Thirty-five per cent of respondents were considering leaving the profession (more than 14,000). Of the 3,800 respondents in Scotland, 77 per cent reported an increase in stress levels and 90 per cent were concerned about the wellbeing of those in the nursing profession. In addition, 34 per cent reported that staffing levels had worsened during the pandemic, with the same percentage reporting that they were working longer hours.
- The Scottish Government conducted a short survey for all NHS, community health and social care staff in September 2020.²⁴ This replaced the annual iMatter staff experience survey and received 83,656 responses, a response rate of 43 per cent. It found that 41 per cent of respondents were worried about the threat of a second wave of Covid-19. Thirty-five per cent were worried about catching Covid-19 themselves and passing it on to colleagues, friends and family.

21. The Scottish Government worked to improve the support available for the health and social care workforce during the pandemic. It established a workforce senior leadership group, bringing together partners, staff and regulators from across health and social care, to respond to issues quickly. The group has met frequently throughout the pandemic and provides strategic guidance and oversight on areas such as staff wellbeing, Covid-19-related absences and guidance for staff needing to shield.

22. Demand for the Scottish Government's National Wellbeing Hub website has been high. By December 2020, there had been over 50,000 visits to the website.²⁵ It was developed by NHS Greater Glasgow and Clyde's Anchor Service and NHS Lothian's Rivers Centre and was launched in May 2020. It gives staff, carers, volunteers and their families access to a range of resources to help them look after their physical and mental health. A helpline and a wellbeing champions network were also launched. In addition, practical staff support was put in place including assistance with accommodation and transport, and the creation of rest areas within NHS hospitals for staff to use.

23. The Scottish Government and NHS boards should monitor and report publicly on the effectiveness of the measures introduced to improve staff health and wellbeing, to assess whether sufficient progress is being made.

Health impact of Covid-19



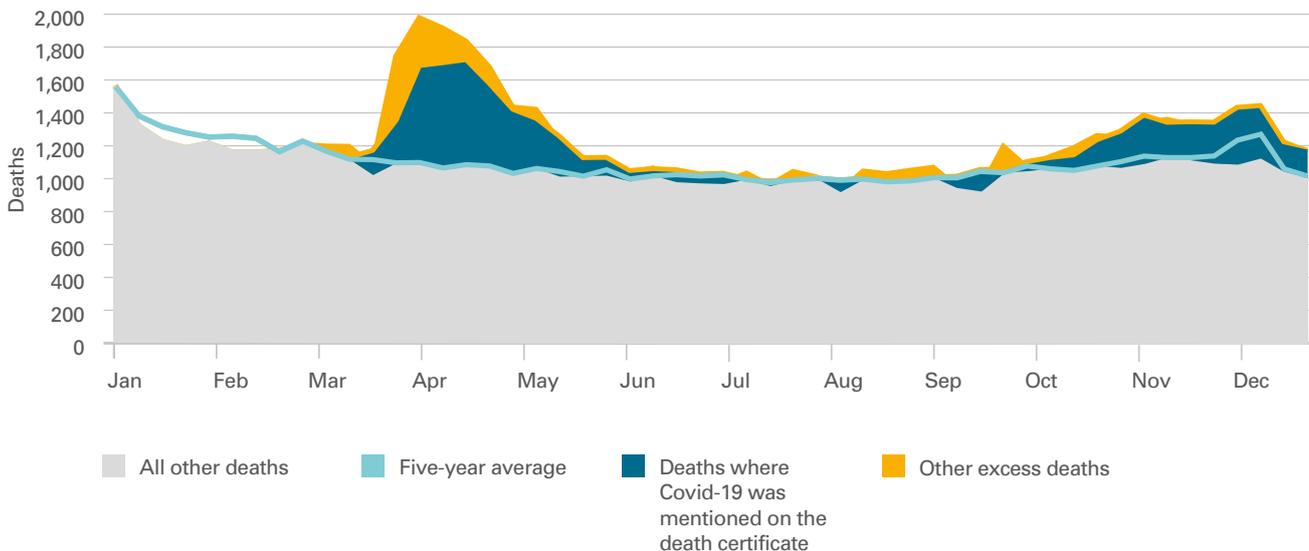
Covid-19 is causing a substantial number of deaths

24. In April and May 2020, deaths from all causes were considerably higher than the five-year average ([Exhibit 3](#)). Most of this increase can be attributed to Covid-19-related deaths. By February 2021, there had been almost 9,000 deaths in Scotland where Covid-19 was mentioned on the death certificate. Between 30 March 2020 and 17 May 2020 however, the number of deaths where Covid-19 was not mentioned on the death certificate was also considerably higher than the five-year average. For example, deaths attributed to heart disease, stroke, cancer and dementia increased significantly in the week beginning 30 March 2020.²⁶

Exhibit 3

Excess deaths January to December 2020

Deaths in April and May 2020 were considerably higher than the five-year average and increased again from September.



Source: National Records of Scotland

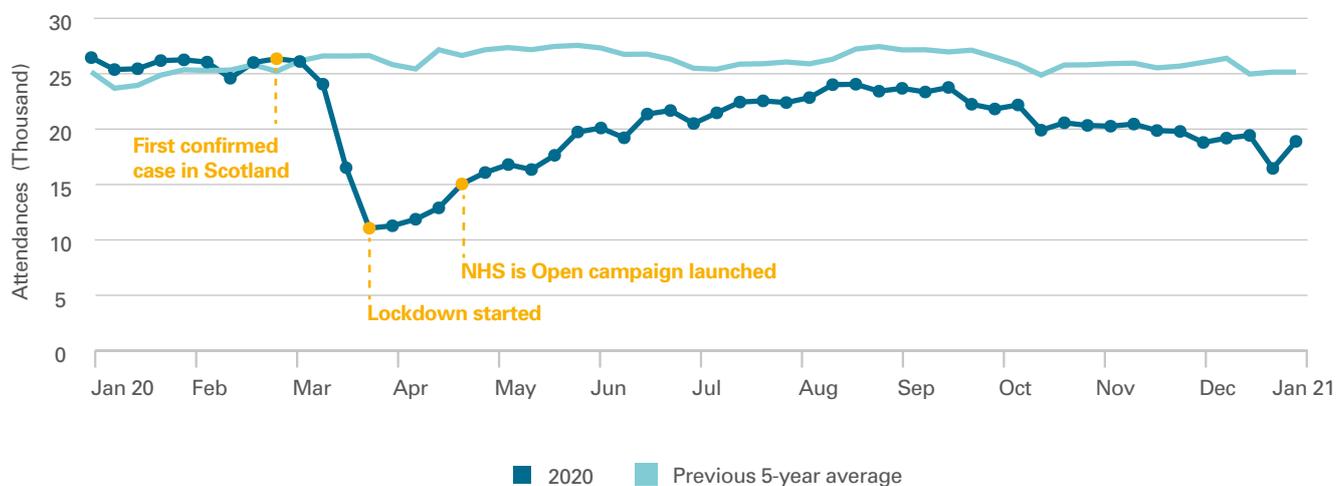
25. During the first few months of the pandemic, the number of people attending A&E fell dramatically ([Exhibit 4, page 16](#)). In April 2020, a survey found that up to 45 per cent of people said they would avoid going to GPs or hospitals for

immediate non-Covid-19-related health concerns.²⁷ The Scottish Government and senior medical officials were concerned that people with symptoms requiring urgent attention, such as those associated with strokes and heart attacks, were not seeking help. There were also concerns that pauses in national screening programmes would cause delayed or missed diagnosis among people with serious medical conditions such as cancer.

Exhibit 4

A&E attendances in Scotland from January 2020 to January 2021

A&E attendances fell sharply during March. Attendances increased steadily between April and September but decreased again throughout winter 2020.



Source: Public Health Scotland

26. The BMA surveyed 1,351 doctors in Scotland in April 2020, as part of regular monitoring of the impact of Covid-19.²⁸ It found that 55 per cent of respondents felt that prioritising patients with Covid-19 was having a detrimental impact on care for people with other healthcare needs.

27. The Scottish Government set up the NHS is Open campaign to encourage people with urgent symptoms to continue to seek help. There were regular reminders that hospitals were open and urgent care was still available. A&E attendances increased between April and August 2020 but started to decrease again from September as Covid-19 cases started to rise. The percentage of people who said they would avoid going to GPs or hospitals decreased from 45 per cent in April to 27 per cent in October.²⁹ There were significantly fewer referrals for outpatient appointments and mental health services between April and June 2020. The longer-term impact of delayed or missed diagnoses or treatment is yet to be determined. The Scottish Government and NHS boards should monitor this and take action to mitigate any adverse impacts as a result.

Some people have been more adversely affected by the pandemic than others

28. Issues emerged across social care during the pandemic that need to be addressed. By July 2020, 65 per cent of all adult care homes reported having at

least one suspected case of Covid-19. By January 2021, 39 per cent of all Covid-19-related deaths were in care homes, 55 per cent were in acute hospitals and six per cent were at home or non-institutional settings.³⁰

29. Public Health Scotland (PHS) reviewed hospital discharges to care homes between 1 March and 31 May 2020 because of the significant number of Covid-19 cases and deaths in care homes.³¹ PHS found that hospital discharge was associated with an increased risk of an outbreak of Covid-19 when considered in isolation. However, the risk of an outbreak was much more strongly associated with the size of care homes. Of the care homes with more than 90 places, 90 per cent had an outbreak, compared to less than four per cent of care homes with fewer than 20 places. After accounting for this and other care home characteristics, PHS considered that the risk associated with hospital discharges decreased and was not statistically significant. Public Health Wales conducted similar analysis and had similar findings. PHS highlighted that there were significant issues with the availability of data about care home residents and made recommendations for improvement.

30. The Scottish Government acknowledged there was a lack of oversight of the care home sector and stepped in to provide an enhanced system of assurance during the pandemic. In April 2020, the Scottish Government announced that NHS directors of public health in NHS territorial boards would provide oversight and clinical support to care homes across Scotland. The Care Inspectorate had stopped on-site inspections early in the pandemic to reduce the risk of spreading Covid-19. From May, the Care Inspectorate resumed on-site inspections of care homes that were deemed to be high risk. The findings of these inspections are currently reported to the Scottish Parliament every two weeks. From 4 May to 31 July, 134 visits had been carried out. These visits resulted in 16 letters of serious concern, one improvement notice and one application for cancellation of registration.³²

31. In May 2020, the Care Inspectorate carried out an unannounced inspection of the 37-bed, privately-run Home Farm Care Home on Skye following the deaths of ten residents from Covid-19. It identified failings in the quality of care provided and made an application for emergency cancellation of Home Farm's registration. NHS Highland became the registered provider and operator of the care home in November 2020, with the Scottish Government providing £0.9 million to fund the purchase.³³

32. Legal experts, human rights groups and others had concerns that people who lacked capacity may have been discharged from hospital or moved without due legal process and without their consent. This may have been a breach of their human rights.³⁴ In addition, the Scottish Human Rights Commission (SHRC) highlighted concerns about the care-at-home provision being reduced or removed during the pandemic.³⁵ It reported that in many cases decisions to change care-at-home provision happened quickly, without adequate assessment of the impact and were poorly communicated. The SHRC made 24 recommendations including to urgently restore care and support; improve assessments and communication; and incorporate the United Nations Convention on the Rights of Persons with Disabilities into Scots law.

33. As part of the Programme for Government 2020/21, the Scottish Government commissioned an independent review of adult social care. This considered options for improvement, including the establishment of a national care service. A report was published in February 2021. The findings of the report will be discussed in our forthcoming work on social care sustainability.

Systemic issues, such as socio-economic and health inequality, were exacerbated during the pandemic, leading to a disproportionate impact on certain groups

34. Certain groups have been disproportionately affected by Covid-19. For example:

- the death rate from Covid-19 is more than twice as high in the most deprived areas (183 per 100,000 population) than in the least deprived areas (79 per 100,000 population)³⁶
- there is around a twofold increase in risk of admission to critical care or death from Covid-19 among people of South Asian origin. There is also evidence of an increased risk of hospitalisation arising from Covid-19 among those of Caribbean or black ethnicity.³⁷

35. In April 2020, the Scottish Government published its framework for decision-making in relation to the use of restrictions to manage the pandemic. This outlined four main categories of harm that the Scottish Government would consider in making decisions on whether to ease or tighten restrictions. These categories were the direct health impact of Covid-19, non-Covid-19-related health harms, societal impact and economic impact. In July, the Scottish Government published an impact assessment of the measures it planned to take to manage the pandemic.³⁸ This outlined how some people with certain protected characteristics and socio-economic disadvantages were more adversely affected by the pandemic and by the measures taken to suppress it.³⁹

36. The Scottish Government established an expert group to study the effects of Covid-19 on minority ethnic communities. In September 2020, the group published two reports with initial advice and recommendations for the Scottish Government.⁴⁰ One report called for improvements in data and evidence on ethnic inequalities and health. The other report recommended improving systemic issues such as socio-economic and health inequality.

37. Health inequalities are wide and have worsened over the last ten years.⁴¹ We have previously reported on the impact of factors such as deprivation and ethnicity on health inequalities.⁴² These long-standing systemic issues were exacerbated during the pandemic, leading to the disproportionate impact experienced by these groups.

The Scottish Government updated its ethical decision-making framework to improve clarity on equality and human rights obligations

38. If the pandemic causes an increase in demand for healthcare that exceeds capacity, complex and challenging decisions may need to be made about the delivery of healthcare. In April 2020, the Scottish Government published an ethical advice and support framework (EASF).⁴³ The EASF outlines the structures and principles for supporting an ethical approach to decision-making during the pandemic if needed.

39. The Scottish Government conducted an equalities impact assessment (EIA) to ensure that the EASF complied with equality and human rights legislation.⁴⁴ As a result, the EASF was updated in July 2020 to improve clarity on equality and

human rights obligations. The language was revised throughout. In addition, a new section on equality and human rights was added to:

- outline how the EASF relates to the Human Rights Act (1998) and the Equality Act (2010)
- emphasise the national commitment to ensure that every patient has the right to the highest possible standard of physical and mental health.

40. As part of the EASF, NHS boards were required to establish ethical advice and support groups. These groups were designed to help clinicians to make difficult ethical decisions and enable theoretical discussions to support planning during the pandemic. A national group was also available to provide advice to local groups and to consider national ethical issues, although this had not been used as of February 2021.

Pandemic preparedness



Not all actions from previous pandemic preparedness exercises were fully implemented

The Scottish Government based its initial response to Covid-19 on the 2011 UK Influenza Pandemic Preparedness Strategy

41. In its consideration and assessments of risks to Scotland, the Scottish Government rated the risk of an influenza pandemic as highly likely to occur with a potentially severe impact.⁴⁵ This aligns with the risk classification of an influenza pandemic in the UK National Risk Register of Civil Emergencies, 2017.⁴⁶ However, the Scottish Government did not include an influenza pandemic as a standalone risk in its corporate or health and social care risk registers. This meant that there was not adequate corporate oversight of this risk, and it is therefore unclear how it was being managed and monitored.

42. The Covid-19 pandemic was caused by a new virus with unknown characteristics. Initially, there was insufficient evidence internationally to show how the virus behaved and was transmitted, who was at risk and what the incubation period was. The Scottish Government had no plan in place to manage this specific kind of outbreak, so its response was informed by the 2011 UK Influenza Pandemic Preparedness Strategy. This was developed jointly by the four governments of the UK. The Scottish Government's response was also informed by the 2017 Management of Public Health Incidents: Guidance on the roles and responsibilities of Incident Management Teams. The Scottish Government's response to Covid-19 had to be adapted frequently as new information emerged.

43. In the five years prior to the Covid-19 pandemic, Scotland was involved in three pandemic preparedness exercises:

- **Exercise Silver Swan** was conducted across Scotland in late 2015 and sponsored by the Scottish Government.⁴⁷ It involved a range of partners, including the Scottish Government, NHS boards, councils and Health and Social Care Partnerships (HSCPs), and consisted of a series of four separate desk-based exercises. The exercises focused on health and social care, excess deaths, business continuity and overall coordination nationally. Seventeen recommendations for further action were identified. A review exercise was conducted in November 2016.
- **Exercise Cygnus** was held in October 2016.⁴⁸ It was a three-day, UK-wide simulation of a severe pandemic and involved the Scottish Government. The exercise identified 22 ways in which the 2011 UK Influenza Pandemic Preparedness Strategy could be improved.

- **Exercise Iris** was delivered by the Scottish Government in March 2018.⁴⁹ It involved territorial NHS boards, NHS 24, Health Protection Scotland and the Scottish Ambulance Service. It assessed the readiness of the NHS in Scotland to respond to suspected outbreaks of a Middle East respiratory syndrome coronavirus (MERS-CoV). Thirteen actions were identified.

44. Each of these exercises highlighted a number of areas that required improvement. They defined specific actions to be implemented, with some common themes, including the need to:

- clarify roles and responsibilities in the event of a pandemic
- increase the capacity and capability of social care to cope during an outbreak
- ensure the availability and correct use of PPE, including through fit testing and procurement processes.

Progress in addressing recommendations from pandemic preparedness exercises has been slow

45. Progress in implementing the actions identified during these pandemic planning exercises has been slow. The Scottish Government set up the Flu Short Life Working Group (FSLWG) in early 2017. In November 2017, the group set out priority actions following the recommendations from the Silver Swan and Cygnus exercises. While the exercises conducted were not in preparation for the specific type of pandemic that arose, some of the areas that were identified for improvement became areas of significant challenge during the Covid-19 pandemic. For instance:

- Concerns about the capacity and capability of social care to cope during a pandemic. Flu pandemic guidance published in 2012, designed for health and social care in England, was issued to health and social care in Scotland.⁵⁰ One of the priorities of the FSLWG was to develop a Scottish version of this guidance for consultation by March 2018. This guidance was drafted and issued for consultation between July and September 2019. The draft guidance was not updated following consultation and has not been published. The Scottish Government is now reviewing this guidance to incorporate lessons learned from the Covid-19 pandemic.
- Access to, and training in, the use of PPE were identified as areas requiring improvement. The FSLWG identified a priority action in relation to clarifying access to the PPE stockpile. This was required to be completed by March 2018. The Scottish Government planned to include this in the flu pandemic guidance that was being developed for health and social care. The FSLWG also identified raising awareness of the type of PPE required and fit testing for staff as priorities. In March 2018, however, findings from Exercise Iris again highlighted the need for substantive progress in the area of PPE availability and use across Scotland.

46. As a priority, the Scottish Government should update and publish national pandemic guidance for health and social care. The scope of this guidance should not be limited to covering only an influenza pandemic. It should include lessons learned from the Covid-19 pandemic and the previous pandemic exercises.

NHS remobilisation



Remobilising health services is challenging, and maintaining innovation and learning from the pandemic will be essential

The pandemic led to a substantial backlog of patients waiting to be seen, with NHS boards prioritising those in most urgent need

47. As highlighted in our previous NHS in Scotland reports, NHS boards have found meeting national waiting times targets very challenging ([Exhibit 8, page 33](#)).⁵¹ The Scottish Government acknowledged that Covid-19 has severely affected NHS boards' ability to meet these targets and that a new approach was needed to manage the substantial backlog of patients ([Exhibit 5, page 23](#)). The Waiting Times Improvement Plan (WTIP), announced in October 2018, was paused at the beginning of the Covid-19 outbreak. The Scottish Government had planned to invest more than £850 million to sustainably improve waiting times by spring 2021, but the WTIP will now not restart. The Scottish Government published a new framework outlining the approach that should be taken during the Covid-19 pandemic.⁵² This new approach is based on clinical prioritisation, which means that patients most in need will be seen first and those of lower clinical priority will have to wait longer. Patients are categorised in priority levels as follows:

- Level 1a emergency - operation needed within 24 hours
- Level 1b urgent - operation needed within 72 hours
- Level 2 surgery - scheduled within four weeks
- Level 3 surgery - scheduled within 12 weeks
- Level 4 surgery - may be safely scheduled after 12 weeks.

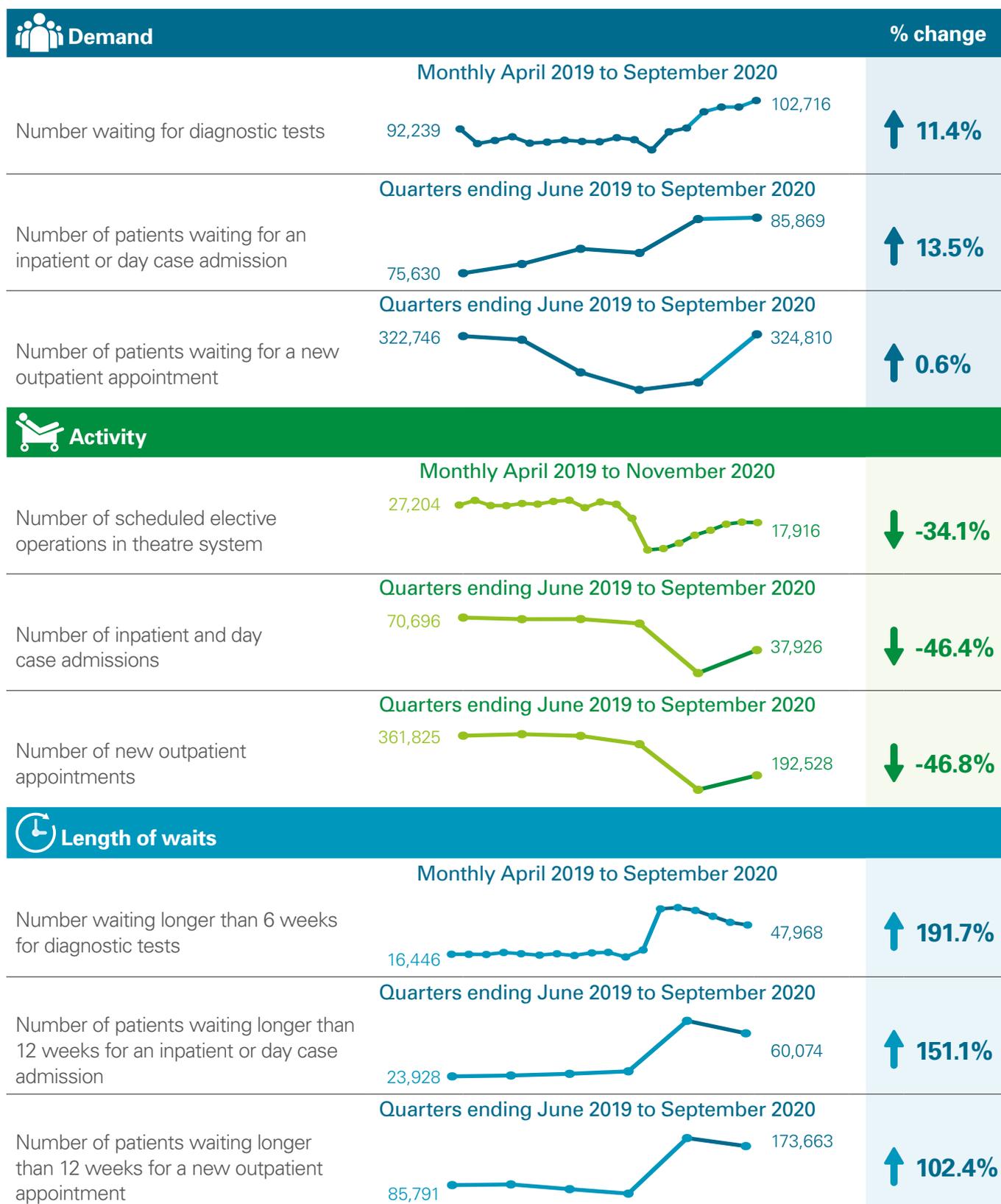
48. These timescales are ambitious, considering that NHS boards already found it challenging to meet waiting times targets ([Exhibit 8, page 33](#)). NHS boards are under more pressure during the Covid-19 pandemic, along with having a significant backlog of patients waiting to be seen ([Exhibit 5, page 23](#)). Data on waiting times for each category should be published, to enable transparency about how NHS boards are managing their waiting lists.

49. The framework is clear that patients waiting a long time – determined by their priority level – should be offered a review consultation to ensure their clinical priority categorisation is up to date. Clinical risks associated with patients waiting longer for treatment need to be assessed and mitigated. The Scottish Government and NHS boards should monitor the longer-term impact on health outcomes.

Exhibit 5

National trends in demand and activity for acute services

Services being paused during the first wave of the pandemic led to increasing numbers waiting longer for tests and treatment.



Managing cases of Covid-19 has taken priority over resuming the full range of NHS services

50. Over summer 2020, NHS boards began resuming some services that had been paused during the first wave of Covid-19. Services providing the most urgent care were prioritised. There are a number of challenges related to resuming the full range of health services and bringing capacity back to pre-Covid-19 levels. The need to physically distance means that operating theatres, clinics and waiting rooms cannot be used to their full capacity. More time is needed between appointments and procedures for replacing PPE and cleaning. Managing ongoing cases of Covid-19 is also very resource intensive. This has taken priority over resuming non-urgent health services.

51. In October 2020, the Scottish Government published its Winter Preparedness Plan for the NHS in Scotland. It plans to maximise the use of NHS Golden Jubilee, NHS Louisa Jordan and the private sector to help maintain access to some services over the winter. Since July 2020, NHS Louisa Jordan has been used to help reduce the backlog of people waiting for diagnostic services and outpatient appointments. By January 2021, approximately 18,000 outpatients from four NHS boards had attended NHS Louisa Jordan. The elective centres currently being built will help deal with some of the backlog of patients and the longer-term strategy for planned care.⁵³

52. The paused national screening programmes also started to resume in stages over the summer of 2020, and have now resumed routine screening. NHS boards are working to catch up on delayed appointments.

The Scottish Government is committed to rebuilding the NHS differently

53. The Scottish Government published its Re-mobilise, Recover, Re-design Framework in May 2020. This sets out the priorities for resuming services while maintaining capacity for Covid-19 patients. The framework is clear about rebuilding the NHS differently, which will be essential for it to be sustainable. Some of the key ambitions described in the framework include:

- developing new priorities for the NHS based on engagement with staff and the public
- achieving greater integration, recognising the interdependencies between health and social care services
- providing more care closer to home, minimising unnecessary travel
- reducing inequality and improving health and wellbeing outcomes.

54. Achieving these ambitions will require a considerable amount of work and resources, at both Scottish Government and NHS board levels. The Scottish Government is working with external consultants to look at the nature of the work and structures required to support the delivery of the ambitions in the remobilisation framework. NHS boards have developed remobilisation plans that align with these ambitions and include details of how they plan to resume healthcare services. These plans also describe how positive changes introduced during the pandemic will be maintained. Some of this innovation that would normally have taken years to develop and implement, happened within weeks. For instance, the roll out of digital improvements such as Near Me and establishing community hubs and assessment centres.

Maintaining new ways of working and learning from the pandemic will be an essential part of rebuilding the NHS

55. Maintaining new ways of working and learning from the pandemic will be essential. As part of this, it will be important to evaluate how effective and appropriate these changes have been and establish which of these should be maintained in the longer term. The Scottish Government is developing a Re-mobilise, Recover, Re-design programme of work, which focuses on recovery and renewal across health and social care. The detailed scope and objectives of this are under development. However, work on this has been paused until there is more capacity for further discussions on strategic priorities.

56. The Scottish Government should ensure that the work undertaken as part of this programme has clear priorities that align with the remobilisation framework. This should include achievable and realistic objectives and timescales for completion. Progress should be monitored and reported to ensure sufficient progress is being made. In addition, the Scottish Government:

- committed to review and develop the role of the Covid-19 community assessment hubs and virtual appointments, with the aim of providing more care closer to home⁵⁴
- developed a recovery plan to redesign cancer services, to ensure that all patients have timely access to diagnostic services and the best possible treatments.⁵⁵

The shape of the health and social care workforce will need to change

57. In December 2019, the Scottish Government published a national health and social care integrated workforce plan.⁵⁶ This contains plans and assumptions about the shape of the health and social care workforce in the future, aligned with the medium-term financial framework. Ways of working and roles in the NHS and social care will need to be different after the Covid-19 pandemic. When the immediate pressures on NHS workforce planning during the Covid-19 pandemic subside, the Scottish Government should work with its partners to update the integrated workforce plan. This should consider how services will be delivered differently in the future, and how this will affect the shape of the health and social care workforce in the longer term.

There continues to be a lack of stable senior leadership, with high turnover and short-term tenure

58. We have previously reported on the lack of stable senior leadership in the NHS and that tenure should ideally be at least five years. This gives organisations the stability they need for effective strategic planning and reform, and development of effective working relationships.⁵⁷ High turnover and short-term tenure has continued. Since April 2019, there have been 32 new senior appointments of Board Chairs, Chief Executives and Directors of Finance across 21 NHS boards in Scotland (excluding the newly established Public Health Scotland). These included ten Board Chairs, 14 Chief Executives and eight Directors of Finance. Two NHS boards, NHS Grampian and NHS Highland, had more than one change in Chief Executive in that period.

59. There are also a number of newly filled posts in place at the Scottish Government senior leadership team. These include the Chief Executive of NHS Scotland and Director-General of the Health and Social Care Directorates, the Chief Medical Officer and the Chief Nursing Officer.

60. The NHS requires stable and collaborative leadership, working in partnership across public services to balance the ongoing challenges caused by Covid-19 and to remobilise health and social care. The Scottish Government must ensure that all NHS leaders, particularly those who are newly appointed, have the support they need.

NHS finances and performance



Covid-19 has exacerbated existing financial and operational challenges

Responding to Covid-19 has resulted in significant additional expenditure across health and social care, and there is uncertainty about the longer-term financial position

61. Responding to Covid-19 has resulted in significant additional costs. NHS boards and HSCPs submitted monthly integrated financial returns to the Scottish Government, which included predicted costs for 2020/21 and actual costs where available. These submissions were scrutinised through peer review by NHS directors of finance and the Scottish Government.

62. At December 2020, NHS boards and HSCPs predicted an additional £1.67 billion in costs associated with Covid-19 for 2020/21. This consisted of £1.56 billion in revenue costs and £112.2 million in capital costs. Predicted revenue costs are made up of £1.13 billion for NHS boards and £0.43 billion for HSCPs. The highest predicted revenue costs for NHS boards relate to:

- PPE, at £324.5 million
- testing for Covid-19, at £89.7 million
- additional hospital bed capacity, at £70.1 million.

63. Covid-19-related costs to the NHS for 2020/21 will be covered by funds allocated to Scotland from the UK Government through Barnett consequentials.⁵⁸ At September 2020, the Scottish Government confirmed that £2.5 billion received in consequentials will be passed on for health and social care. There is uncertainty in the longer term about costs associated with Covid-19 and the funding that will be available from the UK government.

64. The Scottish Government needed to revise NHS boards' budgets for 2020/21 to take into account the additional costs as a result of the pandemic. It agreed the approach to doing this with the NHS directors of finance. The Scottish Government reviewed the actual costs submitted for the first three months of the 2020/21 financial year and confirmed an additional £1.1 billion in allocations in September 2020 for NHS boards and IAs. In February 2021, it announced a further £491 million in allocations. The Scottish Government recognised that the pandemic has significantly affected NHS boards' ability to deliver their financial recovery plans, and confirmed that NHS boards and IAs would be fully funded to deliver a financial balance for 2020/21. It will review this in 2021/22, to consider any ongoing impact of the pandemic.

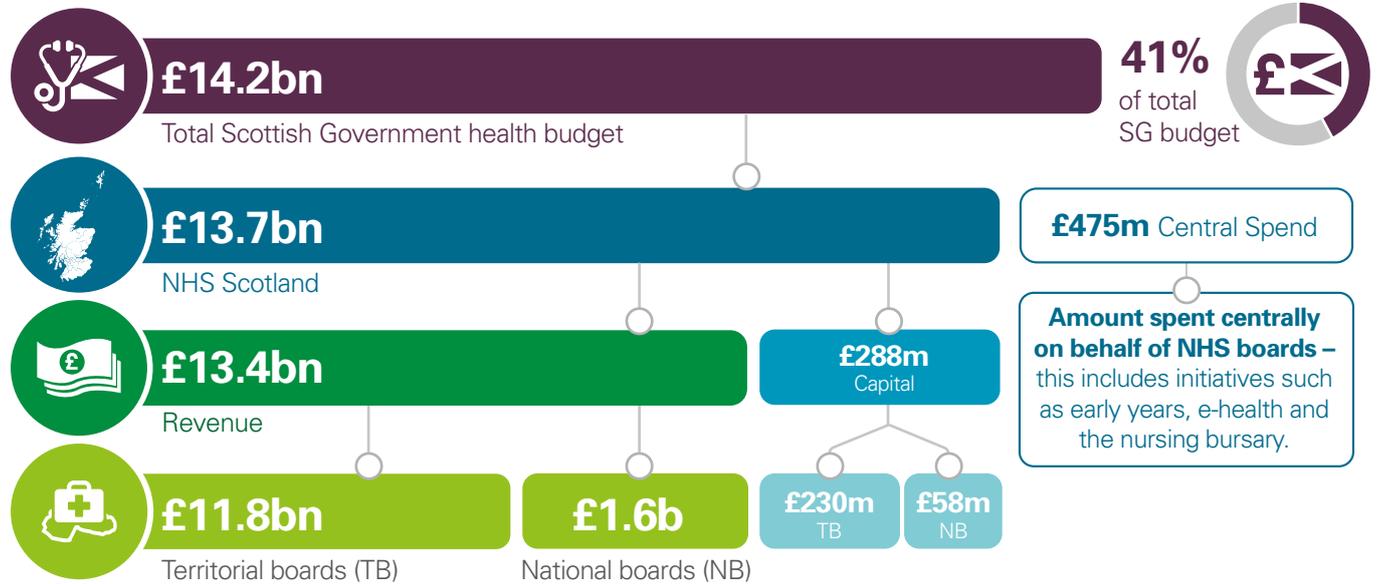
65. The usual financial planning arrangements were paused for 2020/21. This means that, for 2020/21, NHS boards do not have three-year plans approved by the Scottish Government in place. It is not yet clear:

- what long-term impact Covid-19 will have on the financial position of the NHS
- how the pandemic will develop over time and what level of spending will be required to respond
- what additional funding will be made available through Barnett consequentials beyond 2020/21.⁵⁹

66. The Scottish Government's health and social care medium-term financial framework (MTFF) identified the need to save £1.7 billion between 2016/17 and 2023/24. Covid-19 has had an impact on the ability of the health and social care sector to meet the trajectory set out in the MTFF. The Scottish Government has committed to reviewing the MTFF in 2021/22 to consider the impact of the Covid-19 pandemic.

Exhibit 6

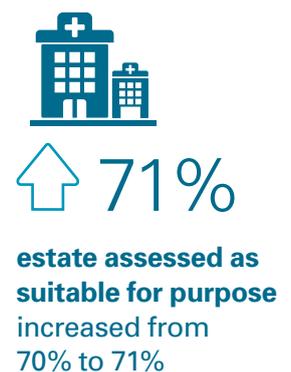
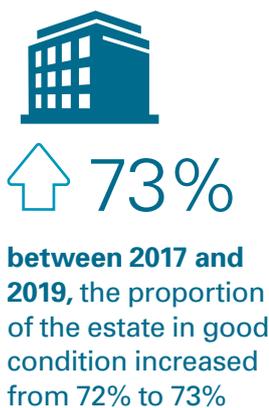
A breakdown of NHS funding for 2019/20, key areas of spend and state of the estate update
 NHS funding increased by 5.2 per cent in 2019/20. More than half of the NHS budget was spent on workforce.
 The level of backlog maintenance in 2019 was £1.03 billion.



KEY AREAS OF SPEND



NHS ESTATE



Financial and operational performance for 2019/20

Some NHS boards were unable to break even without additional financial support from the Scottish Government

67. In 2019/20, four NHS boards required additional financial support from the Scottish Government to break even, totalling £41 million. This was less than the £65.7 million needed in 2018/19 by the same four NHS boards. These NHS boards will be expected to repay this funding in the future once they achieve a break-even position after the pandemic. The four NHS boards that required additional financial support in 2019/20 were (2018/19 figure in brackets):

- NHS Ayrshire and Arran - £14.7 million (£20 million).
- NHS Borders - £8.3 million (£10.1 million).
- NHS Highland - £11 million (£18 million).
- NHS Tayside - £7 million (£17.6 million).

68. Before the Scottish Government announced that NHS boards would be fully funded for 2020/21, three of the four NHS boards also predicted that they would have needed £30.2 million in additional financial support during the 2020/21 financial year. This would have been a further improvement. NHS Tayside forecasted that it would break even. The following case studies outline the challenges facing three of the NHS boards that were unable to break even in 2019/20 without this support. We published a report outlining the challenges in [NHS Tayside](#)  in December 2020.⁶⁰

Case study 1



NHS Ayrshire and Arran still requires significant transformational change, particularly in acute services

In 2019/20, NHS Ayrshire and Arran needed £14.7 million in additional financial support, known as brokerage, from the Scottish Government to break even. This was in line with what the board predicted at the start of the financial year. The board's 2019/20 budget included a savings target of £23.2 million and it achieved £16.8 million. The shortfall is largely attributable to unachieved savings of £8.4 million in acute services, which were partly offset by additional savings in other areas.

NHS Ayrshire and Arran continues to face an extremely challenging financial position in the medium to longer term. The board projected that it would have needed £13.5 million in brokerage for 2020/21. It did not expect to achieve financial balance until 2022/23, a year later than was projected in 2019/20. Achieving financial balance in 2020/21 would have required a number of challenges to be overcome, such as the delivery of £8.5 million of savings in acute services and medicine cost pressures of £8.5 million.

The board has continued with its Transformational Change Improvement Programme, but significant transformational change is still required. The board should prioritise developing detailed improvement programmes incorporating medium to longer-term initiatives, clear action plans, milestones, and the capacity and resources needed. The additional pressures and challenges associated with responding to Covid-19 should be considered and included in these plans. During 2019/20, the board started its Caring for Ayrshire programme, a ten-year vision for the whole-system redesign of health and social care services. This programme is a positive step towards financial sustainability but is still in the early stages of development.

Case study 2



NHS Borders needs to restart its Financial Turnaround programme

In 2019/20, NHS Borders required £8.3 million in brokerage from the Scottish Government to break even. The board needed to make efficiency savings of £21.7 million in 2019/20. The board achieved £10 million in savings, of which £7.1 million was recurring. While the total savings achieved were less than the £15.2 million in 2018/19, the board managed to increase its recurring savings by around £0.4 million.

NHS Borders continues to face a challenging financial position, with particular cost pressures in acute services and delegated IJB services. The board reported that a £13.1 million deficit would be carried forward in to 2020/21 because of unachieved savings and continued financial pressures, and forecasted that it would have continued to need brokerage over the next two years.

In 2018/19, NHS Borders created its Financial Turnaround programme. This made some progress with increasing the level of recurring savings achieved but this progress is unlikely to be sustained. Covid-19 is expected to have a significant impact on 2020/21 and beyond. NHS Borders reported that no savings were made in the first five months of 2020/21 and had forecast achieving £1.6 million in recurring savings in 2020/21, from a target of £9 million. The board must re-start the Financial Turnaround programme and assess the financial impact of Covid-19.

Source: NHS Borders 2019/20 Annual Audit Report

Case study 3



NHS Highland would benefit greatly from stability in its leadership team

In November 2019, the Auditor General reported that NHS Highland needed a clear plan to redesign services to achieve a sustainable model of care.⁶³ It also needed stable senior leadership, to strengthen its governance arrangements and to respond to the recommendations of the Sturrock Report on cultural issues related to allegations of bullying and harrassment.

In 2019/20, NHS Highland needed £11 million in brokerage from the Scottish Government to break even. This was £0.4 million less than predicted at the start of the year. The board achieved its target of £28 million in savings. NHS Highland still faces financial challenges, and forecasted that it would have needed £8.8 million in brokerage to break even in 2020/21. It continues to rely on agency and locum staff and increasing spending in the last three years has led to a consistent overspend on medical pay. The board needs to address this to achieve long-term financial sustainability.

NHS Highland made substantial progress in establishing the Programme Management Office (PMO) and Financial Recovery Board during 2019/20. The PMO has played an essential role in helping deliver the board's Financial Recovery Programme. The board is committed to implementing the recommendations in the Sturrock Report. It has developed a plan, Culture Fit for the Future, and included this as one of its three strategic priorities. Progress has been made, but this is a long-term programme and considerable work has still to take place.

There were several departures from the senior leadership team during 2019/20 and a number of new appointments to senior management positions. Changes to the senior management team will continue for at least the short term. NHS Highland would benefit greatly from stability in its leadership as the board develops a financially sustainable operating model and balances the ongoing demands of Covid-19.

Source: NHS Highland 2019/20 Annual Audit Report

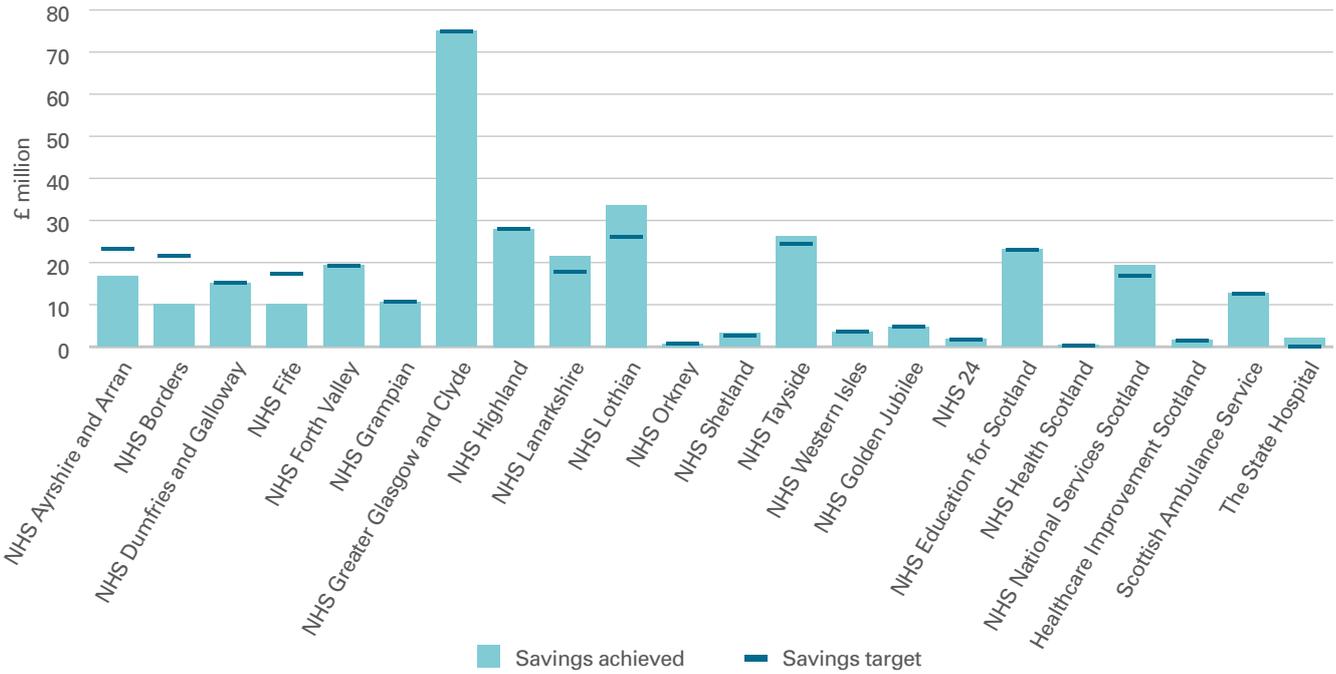
69. Most NHS boards achieved their savings targets in 2019/20 ([Exhibit 7, page 32](#)). Three NHS boards did not achieve their savings target in 2019/20. These were NHS Ayrshire and Arran ([Case study 1, page 30](#)), NHS Borders

(Case study 2, page 31) and NHS Fife. Most of the shortfall in NHS Fife is attributable to unachieved savings in acute services.

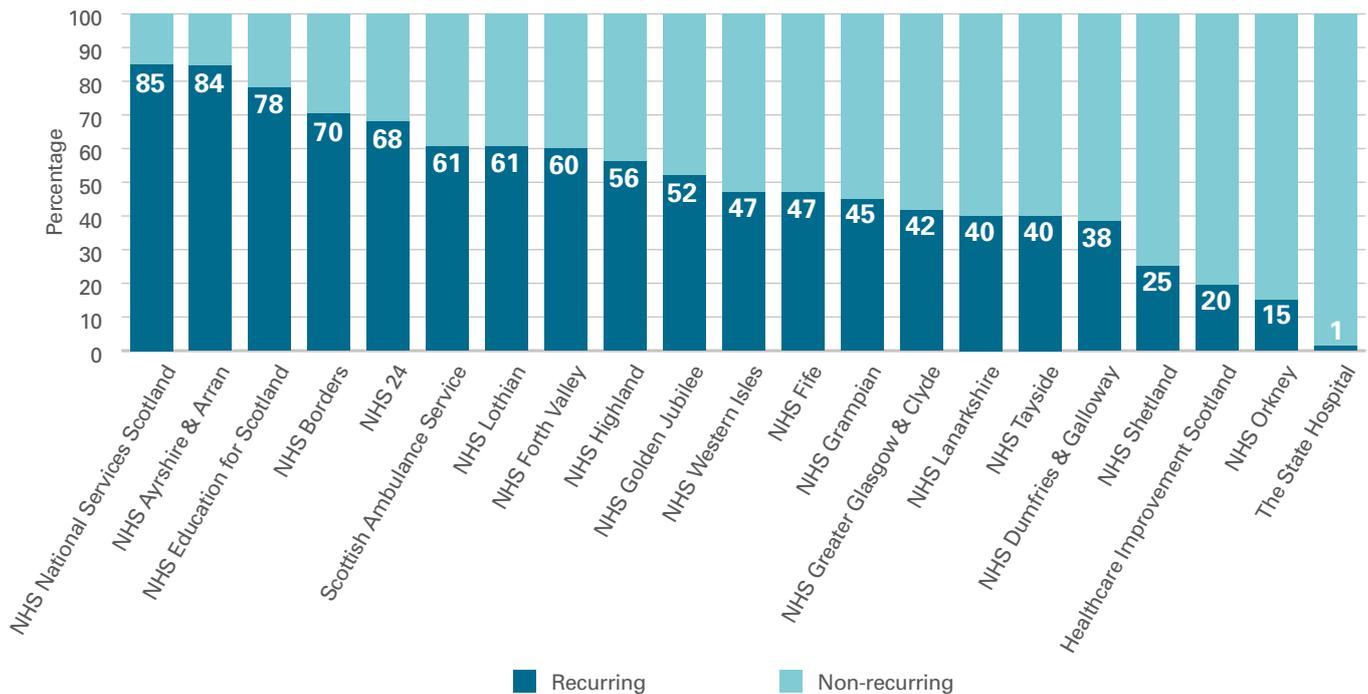
Exhibit 7

Savings achieved 2019/20

Most NHS boards achieved their savings targets in 2019/20.



NHS boards varied significantly in their reliance on non-recurring savings



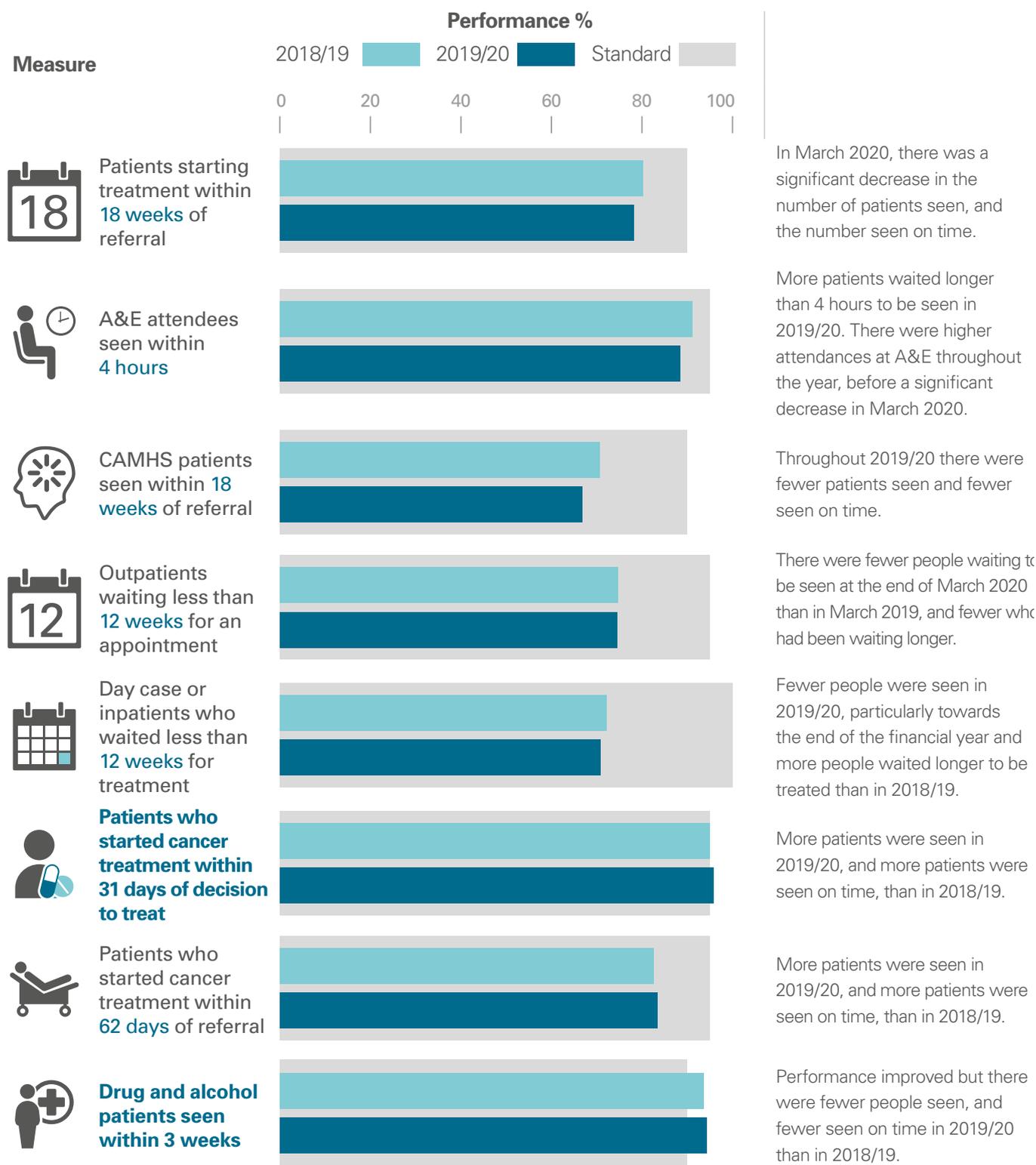
Note: NHS Health Scotland ceased to exist on 31 March 2020. It has been excluded from the graph showing proportion of recurring and non-recurring savings as there was no breakdown available for 2019/20.

Source: Annual Audit Reports 2019/20 and auditor returns to Audit Scotland

Exhibit 8

NHS performance against eight key waiting times standards, 2018/19 and 2019/20

NHS in Scotland met two waiting times standards in 2019/20. Performance improved for three waiting times standards and worsened for five.



Note: Performance towards the end of 2019/20 was affected by the Covid-19 pandemic. On 17 March 2020, NHS Scotland was placed in emergency measures and NHS boards were asked to suspend non-urgent treatment.

Source: Audit Scotland using Public Health Scotland data

Work needs to continue to reduce hospital associated infections

70. Efforts continue to try and reduce healthcare associated infections (HAI). Some serious infections caused by Gram-negative bacteria are resistant to most available antibiotics and are a major threat to public health and patient safety.

71. Escherichia coli (E. coli) is the most common cause of Gram-negative bloodstream infections, and numbers are increasing.⁶¹ The healthcare associated incidence rate of E. coli blood stream infection increased by 11.7 per cent between 2017 and 2019. As part of national efforts to tackle anti-microbial resistance, the UK government has published a 2019-2024 action plan for the four nations of the UK. This sets a target of reducing healthcare associated gram-negative bloodstream infections by 25 per cent in 2021/22 and by 50 per cent in 2023/24.

72. Positive progress has been made in reducing the incidence rates of healthcare associated Clostridium difficile. Between 2015 and 2019, there was a decrease from 18.7 to 13.3 per 100,000 bed days in patients aged 15 years and older. The incidence of Staphylococcus aureus bacteraemia remained stable.⁶²

Investigations continue into infection control risks in major capital projects

73. During 2018/19, an unusual cluster of cases of a specific type of infection at the Royal Hospital for Children and the Queen Elizabeth University Hospital (QEUH) in NHS Greater Glasgow and Clyde prompted a series of investigations. The Scottish Government commissioned an independent review to determine whether the design, build, commissioning and maintenance of the QEUH had increased the risk of HAI. The report was published in June 2020.

74. The Scottish Government also commissioned a public inquiry into the construction of the QEUH and the newly built Royal Hospital for Children and Young People (RHCYP) in Edinburgh because of similar issues. This began in August 2020.

75. More broadly, the Scottish Government is planning to set up a National Centre for Reducing Risk in the Healthcare Built Environment. This intends to focus knowledge and expertise to ensure that lessons are learned and provide greater confidence in the delivery of future capital projects. In addition, an Oversight Board, led by Scotland's Chief Nursing Officer, will report on infection prevention and control practices at the QEUH.

Endnotes



- 1 Resilience partnerships in Scotland support local and regional emergency preparedness and link with national resilience structures. Members include NHS boards, police, fire, ambulance and councils.
- 2 Coronavirus: action plan, *A guide to what you can expect across the UK*, UK Government, March 2020.
- 3 UK Influenza Pandemic Preparedness Strategy, UK Department of Health, November 2011.
- 4 Integration Authorities (IAs) are partnerships between NHS boards and councils in Scotland. They are responsible for the planning, resourcing and operational oversight of a wide range of health and social care services delivered by Health and Social Care Partnerships (HSCPs).
- 5 Scottish Intensive Care Society Audit Group report on Covid-19, Public Health Scotland. July 2020.
- 6 Near Me is a video consulting service that allows people to attend healthcare appointments remotely.
- 7 NHS Louisa Jordan continues to support NHS Scotland, <https://nhslouisajordan-newsroom.prgloo.com/news/nhs-louisa-jordan-continues-to-support-nhsscotland>, January 2021.
- 8 Weekly Covid-19 statistical report, Public Health Scotland, January 2021.
- 9 Public Health Scotland Tableau Covid-19 dashboard https://public.tableau.com/profile/phs.covid.19#!/vizhome/COVID-19DailyDashboard_15960160643010/Overview.
- 10 Winter Preparedness Plan for NHS Scotland - 2020/21, Scottish Government, October 2020.
- 11 Covid-19 Strategy Update, World Health Organization, April 2020.
- 12 Thirty-second SAGE meeting on Covid-19, on UK Government website, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/888807/S0402_Thirty-second_SAGE_meeting_on_Covid-19_.pdf.
- 13 To calculate these figures we have used the sum of cases created and closed within 72 hours in the contact tracing, contact management system and compared these numbers to the total complete cases for that week as published by **Public Health Scotland** <https://beta.isdscotland.org/find-publications-and-data/population-health/covid-19/covid-19-statistical-report/>.
- 14 PPE is equipment that will protect the user against health or safety risks such as splash or droplet exposure. It can include items such as gloves, masks, gowns and eye protection.
- 15 National Distribution Centre (part of National Procurement in NHS NSS) buys and supplies goods for Scotland's hospitals and healthcare facilities. It manages over £1.4 billion in national contracts.
- 16 BMA Scotland Covid-19 Tracker Survey Results, BMA Scotland, May 2020.
- 17 RCN publishes results of member survey about PPE, RCN website, <https://www.rcn.org.uk/news-and-events/news/ppe-survey-results-18-april-2020>.
- 18 Coronavirus (Covid-19): PPE distribution statistics, Scottish Government website, <https://www.gov.scot/publications/coronavirus-covid-19-ppe-distribution-statistics/>.
- 19 Coronavirus (COVID-19): Personal Protective Equipment - Action Plan, Scottish Government, October 2020.
- 20 Personal Protective Equipment (PPE) for Covid-19 - Scotland's Action Plan, Scottish Government, October 2020.
- 21 *NHS in Scotland 2018 and NHS in Scotland 2019*, Audit Scotland, October 2018 and October 2019.
- 22 BMA Scotland Covid-19 Tracker Survey Results, BMA Scotland, May 2020.
- 23 Building a Better Future for Nursing, RCN Members have their say, Royal College of Nursing, August 2020.
- 24 Everyone Matters Pulse Survey Results, Scottish Government, November 2020.
- 25 More mental health support for health and social care staff, Scottish Government, <https://www.gov.scot/news/more-mental-health-support-for-health-and-social-care-staff/>.

- 26 Deaths involving coronavirus (Covid-19) in Scotland, Week 5, National Records of Scotland, February 2021.
- 27 Public attitudes to Coronavirus, May summary, Scottish Government, June 2020.
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- 29 Public attitudes to Coronavirus, November update, Scottish Government, November 2020.
- 30 Deaths involving coronavirus (Covid-19) in Scotland, Week 1 (4 to 10 January 2021) National Records of Scotland, January 2021.
- 31 Discharges from NHS Scotland Hospitals to Care Homes between 1 March and 31 May 2020, Public Health Scotland, October 2020.
- 32 The Care Inspectorate's role, purpose and learning during the Covid-19 pandemic, Care Inspectorate, August 2020.
- 33 Home Farm Care Home. Scottish Government News <https://www.gov.scot/news/home-farm-care-home/>
- 34 Submission to the Scottish Parliament Covid-19 Committee from the Centre for Mental Health and Capacity Law, Edinburgh Napier University September 2020.
- 35 Covid-19 social care monitoring report, Scottish Human Rights Commission, October 2020.
- 36 Deaths involving coronavirus (Covid-19) in Scotland, National Records of Scotland, December 2020.
- 37 Covid-19 Statistical Report, Public Health Scotland, 2 December 2020.
- 38 Equality and Fairer Scotland Impact Assessment: Evidence gathered for Scotland's Route Map through and out of the Crisis, Scottish Government, July 2020.
- 39 The Equality Act 2010 aims to protect against discrimination based on certain protected characteristics such as age, disability and race among others.
- 40 Improving Data and Evidence on Ethnic Inequalities in Health and Systemic Issues and Risk - Initial Advice from the Expert Reference Group on Covid-19 and Ethnicity, Scottish Government, September 2020.
- 41 A Scotland where everybody thrives: Strategic Plan, Public Health Scotland, September 2020.
- 42 [Health inequalities in Scotland](#), Audit Scotland, December 2012.
- 43 Covid-19 Guidance: Ethical Advice and Support Framework, Scottish Government, April 2020.
- 44 Covid-19: Equality Impact Assessment of Clinical Guidance and Ethical Advice and Support Framework, Scottish Government, July 2020.
- 45 Scottish Risk Assessment 2018, Scottish Government, 2018.
- 46 UK National Risk Register of Civil Emergencies, UK Government, 2017.
- 47 Exercise Silver Swan: Overall Exercise Report, Scottish Government, April 2016.
- 48 Exercise Cygnus report, Public Health England, 2017.
- 49 Exercise Iris, Scottish Government, March 2018.
- 50 Health and social care influenza pandemic preparedness and response, Department of Health, April 2012.
- 51 [NHS in Scotland 2019](#), Audit Scotland, October 2019.
- 52 Coronavirus (Covid-19): supporting elective care - clinical prioritisation framework, Scottish Government, November 2020.
- 53 The Elective Centre Programme intends to provide additional capacity for CT and MRI scans, outpatients, day surgery and short stay theatre procedures. New centres and facilities will open in a number of NHS boards such as Golden Jubilee, Lothian, Tayside, Highland, Forth Valley and Grampian.
- 54 Re-mobilise, Recover, Re-design Framework, Scottish Government, May 2020.
- 55 A Framework for Recovery of Cancer Surgery, Scottish Government, August 2020.
- 56 *Health and social care: integrated workforce plan*, Scottish Government, December 2019.
- 57 [NHS in Scotland 2019](#), Audit Scotland, October 2019.
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- 59 [Covid-19: Implications for public finances in Scotland](#), Audit Scotland, August 2020.
- 60 [The 2019/20 audit of NHS Tayside](#), Auditor General for Scotland, December 2020.
- 61 Healthcare Associated Infection Annual Report 2019, ARHAI Scotland, 2019.
- 62 HAI Quarterly Commentary Q2 2020 - supplementary data, Public Health Scotland, October 2020.
- 63 [The 2018/19 audit of NHS Highland](#), Audit Scotland, 2019.

Appendix 1

Audit methodology



This is our annual report on the NHS in Scotland. Given the unprecedented challenges of the Covid-19 pandemic in 2020, the report focuses on:

- how well the NHS and Scottish Government responded to the Covid-19 pandemic
- the health impact of the Covid-19 pandemic on the population of Scotland
- how prepared the Scottish Government and NHS were for a pandemic
- how well the NHS and Scottish Government are working to resume the full range of NHS services
- the financial impact of the Covid-19 pandemic on the NHS in Scotland
- a brief overview of how well the NHS managed its finances and operational performance in 2019/20.

Because of the Covid-19 pandemic, this audit was carried out remotely. Our findings are based on evidence from sources that include:

- strategies, frameworks and plans for responding to Covid-19
- the audited annual accounts and auditors' reports on the 2019/20 audits of NHS boards
- activity and performance data published by Public Health Scotland
- publicly available data and information including results from staff surveys
- Audit Scotland's national performance audits
- interviews with senior officials in the Scottish Government and a sample of NHS boards.

We reviewed service performance information at a national level. Our aim was to present the national picture. We focused on a sample of key targets and standards, covering some of the main activities of the NHS. Where we have used trend information, we have selected a time period where information is most comparable.

Appendix 2

Financial performance 2019/20 by NHS board



NHS board	Escalation framework level	Core revenue outturn (£m)	Total savings achieved (£m)	Recurring savings (%)	NRAC: distance from parity (%)
NHS Ayrshire and Arran	3	841.7	16.8	85	-0.8
NHS Borders	4	247.0	10.1	70	0.7
NHS Dumfries and Galloway		353.4	15.1	38	2.8
NHS Fife		752.3	10.2	47	-0.8
NHS Forth Valley		605.2	19.3	60	-0.8
NHS Grampian		1,099.8	10.7	45	-0.8
NHS Greater Glasgow and Clyde	4	2,543.3	75.0	42	1.9
NHS Highland	4	751.4	28.0	56	-0.8
NHS Lanarkshire		1,345.6	21.5	40	-0.8
NHS Lothian	3/4	1,684.3	33.7	61	-0.8
NHS Orkney		64.2	0.8	15	-0.3
NHS Shetland		63.0	3.3	25	-0.2
NHS Tayside	4	883.0	26.3	40	-0.8
NHS Western Isles		89.0	3.5	47	13.1
NHS Golden Jubilee		84.7	4.8	52	
NHS 24		70.4	1.8	68	
NHS Education for Scotland		500.3	23.1	78	
NHS Health Scotland		21.1	0.5	-	
NHS National Services Scotland		502.4	19.3	85	
Healthcare Improvement Scotland		32.1	1.7	20	
Scottish Ambulance Service		281.3	12.7	61	
The State Hospital		34.7	2.1	1	

Notes:

1. There are five stages of the Scottish Government's performance escalation framework for NHS boards:

Stage 1 Steady state "on-plan" and normal reporting

Stage 2 Some variation from plan; possible delivery risk if no action

Stage 3 Significant variation from plan; risks materialising; tailored support required

Stage 4 Significant risks to delivery, quality, financial performance or safety; senior level external support required.

Stage 5 Organisational structure / configuration unable to deliver effective care.

2. NHS Lothian is at Stage 4 for specific issues relating to the Royal Hospital for Children and Young People, and at Stage 3 for specific issues relating to performance.
3. The Scottish Government uses the NHS Scotland Resource Allocation Committee (NRAC) formula to assess how much funding each board should be allocated. The formula considers the demographics of each board area including population size, deprivation levels, unavoidable geographical variations in the cost of providing services.

Source: Scottish Government

NHS in Scotland 2020

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Audit Scotland, 4th Floor, 102 West Port, Edinburgh EH3 9DN

T: 0131 625 1500 E: info@audit-scotland.gov.uk 

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