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**To: Renfrewshire Integration Joint Board**

**On: 31 January 2020**

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**Report by: Chief Officer**

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**Heading: Change and Improvement Update**

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## **1. Summary**

1.1. This report updates IJB members on Renfrewshire Health and Social Care Partnership's (HSCP) expanding Change and Improvement Programme.

1.2. The report provides an update on our two-tiered model for addressing short term financial pressures whilst in parallel introducing a strategic approach to the medium service transformation and financial sustainability. This approach was approved by the IJB in November 2019.

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## **2. Recommendation**

It is recommended that the IJB:

- Note the content of this report;
  - Approve the Tier 1 savings proposals set out Section 4 of this report;
  - Note the progress made in engaging with stakeholders on the scope and structure of the Transformation Programme, in line with our Tier 2 medium term approach; and
  - Note that regular updates will continue to be brought to the IJB to report on progress and to seek approval for any material changes to scope of this evolving programme.
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## **3. Financial Planning 2020/21**

3.1. The IJB approved the Medium-Term Financial Plan for 2020/21 to 2025/26. This Plan provided an update to the IJB on the current assumptions and projected funding gap for the IJB over the next five years, including a range of potential outcomes based on potential future funding scenarios.

- 3.2. The Financial Plan also set out the IJB's two-tiered model for delivering the Medium-Term Financial Plan by addressing short-term financial pressures whilst in parallel introducing a more strategic approach, focusing on the financial sustainability of the organisation in the medium term.
- 3.3. This report provides an update on Tier 1 savings which have been identified by HSCP Heads of Service and their management teams. Total savings identified for 2020/21 and 2021/22 are circa **£1.9m**.
- 3.4. These savings form one element of the HSCP's ongoing efforts since 2015 to identify efficiency and productivity improvement opportunities, as part of wider coordinated efforts to deliver financial sustainability. In addition, as part of this exercise, the Senior Management Team has identified areas where we can deriving benefits from a more integrated organisational structure, in line with our transformation programme principles.
- 3.5. Wider initiatives which are supported by these Tier 1 savings include:
- The development and implementation of a prudent reserves policy, which includes a commitment to build up a transformation reserve and reflects the IJB's approval to work towards achieving a 2% general reserve balance in recognition of the level of risk which the organisation is likely to be exposed to over the medium term;
  - The implementation of enhanced spending controls in FY 2019/20 on non-essential spend unless approved; and
  - Continued review of resource and budget alignment to realise further benefits from integrated working, ensure the delivery of the HSCP's statutory requirements and support the delivery of emerging Scottish Government policy.
- 3.6. It is also noted that considerable uncertainty continues to exist with regards future budget settlements for the HSCP. Following the UK Election in December 2019, it has been announced that a UK Budget will be delivered on 11th March 2020, following the UK's exit from the European Union on 31st January 2020. The Scottish Government's budget announcement will take place on 6th February. Consequently, it is not possible to determine any potential gap between savings proposals and requirements at this stage, and it is anticipated that uncertainty over a final budget settlement will remain until the full implications of the UK Budget are understood.

#### 4. Tier 1 Savings

4.1. As a result of the above, the HSCP Heads of Service and their management teams have identified total savings of circa **£1.9m - £1,678k**, which can be delivered by the end of FY 2020/21 and the remaining **£256k** in FY 2021/22.

4.2. The 2020/21 savings are summarised below:

Savings Theme	FTE	2020/21 £000's	2021/22 £000's
1. General Efficiencies	-	£71.7	-
2. Financial Governance	-	£475.00	-
3. Payroll Turnover	-	£315.00	-
4. Contract Management	-	-	£115.00
5. Podiatry Transformation Prog.	3.60	£144.00	-
6. Integrated Service Redesign	16.70	£672.65	£141.00
<b>TOTAL</b>	<b>20.30</b>	<b>£1,678.35</b>	<b>£256.00</b>
<b>Total savings</b>		<b>£1,934.35</b>	

4.3. The savings identified are categorised as follows:

**4.5.1 General Efficiencies (£71.7k)** - made through more effectively managing non-staffing budgets and discretionary spend such as marketing materials, venue hire and staff expenses.

**4.5.2 Consistent Application of Financial Assessment (£100k)** - The investment of dedicated Data Quality & Assurance Officers, responsible for the application of charging policies and financial assessment data collection, has resulted in a material increase to the level of income generated through charges to users.

This change to establishment and revised business process aligns the collection of service user's financial information with subject matter experts in the Assurance Team.

Investing in this dedicated resource removes the administrative task from operational staff and returns capacity to frontline services. As subject matter experts capture financial data and distinguish chargeable services there is a consistent application and recording of the financial assessment process which has increased the level of income generated from charges to users.

**4.5.3 Consistent Application of Eligibility Criteria (£375k)** - By ensuring our existing well-developed eligibility criteria thresholds are consistently applied to all service user packages (both new

and ongoing review of existing packages). This will provide an opportunity to match operational activity to available resources and still meet statutory requirements in supporting those in need

**4.5.4 Payroll Turnover Adjustment (£315k)** – the HSCP has been able to make a saving through adjusting the current payroll budget to more accurately reflect recruitment timescales to fill vacant posts due to combination of available workforce, required reference and PVG checks and associated partner bodies required recruitment checks. These timescales are evidenced in the current years employee budget underspends as reported to the IJB. In addition, this reduction is only applied to those posts where staff ratios (eg care homes; day care) do not apply.

**4.5.5 Contract Management (£115k)** - As part of our continuous review of existing contracting arrangements, efficiency savings have been identified with no direct impact to the level of care service users receive.

Service users would transfer to existing equivalent services and the HSCP will ensure that their assessed outcomes continue to be met. A consultation process will be undertaken with the existing service users to ensure a smooth transition.

**4.5.6 Podiatry (£144k)** - residual savings from Podiatry Transformation Programme have been identified through the planned redesign of domiciliary service to standardise treatment times and criteria for house calls.

**4.5.7 Integrated Service Redesign (£813.35k)** – Range of proposals which will contribute to establishing a more integrated organisational model. These proposals fall within the following categories:

- Lease saving through co-location;
- Managing turnover to support service redesign objectives;
- Efficiencies gained through integration of teams and management structures;
- Integrating specialist services within locality structures to create greater resilience and upskill knowledge/awareness across the HSCP; and
- Opportunities to streamlining processes through digital automation and reducing inefficiency as part of our commitment to continuous improvement.

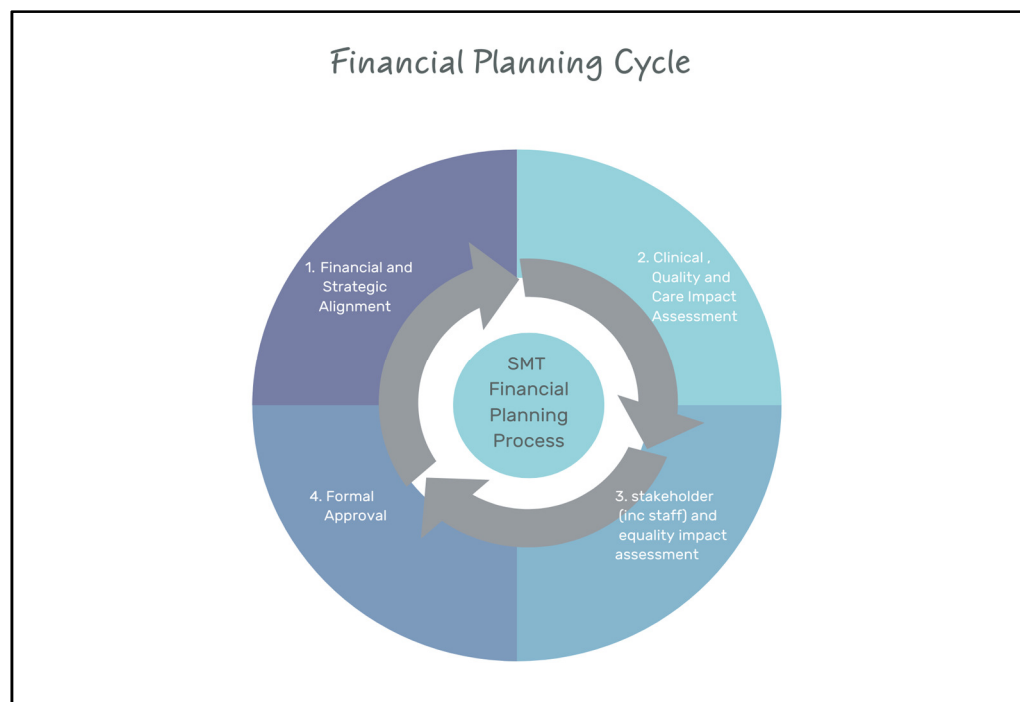
4.4. Savings released from managing turnover has enabled the HSCP to adapt skill mix and optimise use of resources. Where appropriate, funding has been reinvested within services and priority areas to further integrate service models and to support continuous improvement in line with national direction. Whilst these savings will release posts, overall there is an upward trend in the overall FTE establishment in both health and social care.

<b>Establishment FTEs</b>			
<b>Year</b>	<b>Health FTE</b>	<b>Social Care FTE</b>	<b>Total</b>
<b>2018/19</b>	1,086.1	971.8	<b>2,057.9</b>
<b>2019/20</b>	1,104.2	1,007.0	<b>2,111.2</b>
<b>2020/21 (forecast)</b>	1,132.8 (includes forecast PCIP* recruitment)	1,019.8	<b>2,152.6</b>

\* Primary Care Improvement Plan

4.5. In line with our financial planning process, as outlined in the diagram below, the Chief Officer has met with the Professional Advisory Group (PAG), in their capacity as Professional Leads, in order that they are fully sighted on this work and to assess the level of clinical care risk these could present.

**Diagram 1: Financial Planning Process**



4.6. The table below summary the risk RAG status that was presented. The Group has agreed all proposals should be progressed, and were

satisfied the identified mitigation for the proposals risk rated ‘amber’ are effective.

PAG Risk Table		
Savings theme	Clinical and Social Care	Mitigation
1. General Efficiencies	<b>GREEN</b>	N/A
2. Financial Governance	<b>GREEN</b>	N/A
3. Payroll Turnover	<b>GREEN</b>	N/A
4. Contract Management	<b>AMBER</b>	Effective monitoring and communication & engagement strategies to be implemented
5. Podiatry Transformation Prog.	<b>GREEN</b>	N/A
6. Integrated Service Redesign	<b>GREEN</b> (£396.8k)	N/A
	<b>AMBER</b> (£416.8k)	Proactive monitoring of front-line service delivery levels through robust caseload supervision and performance tracking.  Effective change and workforce management

4.7. Trade Unions have been briefed on the Tier 1 proposals, and we will continue to work with the Staff Partnership Forum (SPF) on this work as it progresses.

4.8. All proposals have been subject to an initial Equality Impact Assessment Screening (EQIA) by an Equality Officer and further work will be completed, where required, to ensure equality of opportunity continues to be core to service delivery.

## 5. Tier 2 Approach: Transforming how the HSCP delivers

5.1. The HSCP’s medium term approach (Tier 2), to develop an approach to transforming the way in which the HSCP delivers services, recognises that we must make a step change in the way we work to ensure the sustainability of health and social care services going forward. The delivery of the right services, accessed in the right place and at the right time is core to our 2019–22 Strategic Plan, which was approved by the IJB in March 2019.

5.2. A key element of the Tier 2 approach is the implementation of the HSCP’s Transformation Programme. This programme will enable a strategic approach to be taken to the prioritisation of transformational activity, the review of current service provision and the design of future, innovative service models.

5.3. Initial thinking on the structure and scope of this programme was discussed with the IJB in November 2019. Subsequent work has been undertaken to further develop this thinking and to establish a Programme Board which will provide governance and oversight of progress. The first meeting of the Programme Board took place on 13th January 2020, at which early thinking on a draft programme blueprint and approach were discussed. Further workshops to develop the scope, governance and priority areas of focus for the programme are planned to take place in February.

5.4. Through implemented governance structures, all transformational activity will reflect and contribute to the delivery of four guiding principles which have been refined following discussion with the IJB and further engagement with key stakeholders. These principles have also been developed to align with the key principles set out in the Financial Plan:

<b>Guiding Principle</b>	<b>Description</b>	<b>Alignment with Financial Plan principles</b>
We share responsibility and ownership with our communities	<i>We take collective responsibility and ownership with communities to make best use of all community resources and assets to improve people's health and wellbeing.</i>	<ul style="list-style-type: none"> <li>• Social Contract</li> <li>• 'Asset-based' working</li> <li>• Shared purpose and consistent messaging</li> </ul>
We take a citizen-led approach to public health and wellbeing	<i>We work co-productively with citizens and partners to create person-centred support which focuses on prevention and early intervention and tackles inequalities.</i>	<ul style="list-style-type: none"> <li>• Engagement based approach</li> <li>• Partnership working</li> </ul>
We provide realistic care	<i>We adopt a strengths-based approach which seeks to maximise service users' independence and enable self-management and recovery, preventing unnecessary over-provision of services.</i>	<ul style="list-style-type: none"> <li>• Promoting independence</li> </ul>
We deliver the right services at the right time and in the right place	<i>Care is consistent across Renfrewshire and makes most effective use of HSCP resources. We look to delivery innovatively where this is beneficial and we ensure our approach to transitions and crisis intervention is integrated and seamless.</i>	<ul style="list-style-type: none"> <li>• Workforce engagement and development</li> <li>• Digital opportunities</li> </ul>

- 5.5. These guiding principles have been developed to ensure alignment with national, NHS GGC and local strategic guidance and priorities. These linkages will be continually managed as the programme progresses and include:
- The Scottish Government's Health and Social Care Delivery Plan;
  - National Clinical Strategy;
  - NHSGGC's Public Health Strategy, 'Turning the Tide through prevention';
  - Right for Renfrewshire;
  - Moving Forward Together and work across GGC HSCPs to develop joint opportunities; and
  - Ongoing engagement with Strategic Planning Group partners, Community Planning and Local Partnership stakeholders.
- 5.6. The next phase of workshop sessions with Programme Board members will further develop the approach to delivering the required change. In particular, these sessions will focus on:
- Developing the proposed scope;
  - Further planning to reflect priority areas of focus;
  - Discussion of examples of the work we have been undertaking across services to date which provide helpful learning for us;
  - Programme governance and effectively managing the relationship between the transformation programme and existing groups and change activity including Right for Renfrewshire and Moving Forward Together to avoid duplication and maximise shared benefits; and
  - Branding and communications.
- 5.7. A further update will be brought to the next IJB meeting in March 2020.

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## Implications of the Report

1. **Financial** – the Tier 1 savings and Tier 2 transformation programme approach set out in this report support the delivery of the Financial Plan 2020/21 to 2025/26.
2. **HR & Organisational Development** – there are implications for NHS and Council posts. HR and OD work in close liaison with the existing Change and Improvement programme and will be closely involved at a Programme Board and project level in the developing Transformation Programme.
3. **Community Planning** – the HSCP will ensure there are appropriate links into the wider community planning process.
4. **Legal** – supports the implementation of the provisions of the Public Bodies (Joint Working) (Scotland) Act 2014. Legal guidance will be



sought at appropriate junctures throughout the delivery of the Transformation Programme.

5. **Property/Assets** – property remains in the ownership of the parent bodies.
6. **Information Technology** – Digital has been identified as a key enabler of the required transformational activity. Appropriate technology-enabled solutions will be identified as part of the service design process.
7. **Equality & Human Rights** – the proposals contained within this report place due regard on equality requirements.
8. **Health & Safety** – health and safety procedures will continue to be reviewed to ensure safe and effective joint working as integration progresses and service models develop
9. **Procurement** – procurement activity will remain within the operational arrangements of the parent bodies.
10. **Risk** – the report identifies risks associated with proposals presented and these will continue to be monitored and managed through appropriate governance mechanism.
11. **Privacy Impact** – n/a.

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**List of Background Papers – None.**

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