

Notice of Meeting and Agenda Renfrewshire Health and Social Care Integration Joint Board

Date	Time	Venue
Friday, 23 March 2018	10:00	Abercorn Conference Centre, Renfrew Road, Paisley, PA3 4DR

KENNETH GRAHAM
Clerk

Membership

Councillor Jacqueline Cameron: Councillor Jennifer Adam-McGregor: Councillor Lisa-Marie Hughes: Councillor Scott Kerr: Dr Donny Lyons: Morag Brown: Dorothy McErlean: Dr Linda de Caestecker: Karen Jarvis: Alex Thom: Liz Snodgrass: David Wylie: Alan McNiven: Helen McAleer: Stephen Cruickshank: John Boylan: Graham Capstick: Dr Stuart Sutton: David Leese: Sarah Lavers: Peter Macleod.

Dr Donny Lyons (Chair) and Councillor Jacqueline Cameron (Vice Chair)

To Follow Item

I refer to the agenda for the meeting of the Renfrewshire Health and Social Care Integration Joint Board to be held on 23 March 2018 at 10.00am and enclose the undernoted reports relative to items 2, 4 and 6 previously marked 'to follow'.

Items of business

- | | | |
|----------|--|----------------|
| 2 | Update on Capability Scotland | 3 - 10 |
| | Report by Chief Officer. | |
| 4 | Change and Improvement Programme Update | 11 - 28 |
| | Report by Chief Officer. | |
| 6 | 2018/19 Delegated Health and Social Care Budget | 29 - 42 |
| | Report by Chief Finance Officer. | |

To: Renfrewshire Integration Joint Board

On: 23 March 2018

Report by: Chief Officer

Heading: Update on Capability Scotland

1. Summary

- 1.1 This paper provides an update to the Integration Joint Board (IJB) on the future of Capability Scotland day care services for adults with learning disabilities in Renfrewshire.
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2. Recommendation

It is recommended that the IJB:

- Note the ongoing work to support individual service users and their carers/families in relation to their care requirements;
 - Approve the Chief Officer's recommendation not to progress Capability Scotland's alternative service model;
 - Note the motion made in Renfrewshire Council's 2018/19 Budget in relation to Capability Scotland; and
 - Agree Capability Scotland will continue to operate this service, using the the available funding from the Council, over the course of 2018/19.
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3. Background

- 3.1 Capability Scotland operates two day services in Renfrewshire for adults with a learning disability, located at Whitehaugh and West Lane Gardens. These are delivered on behalf of the Health and Social Care Partnership (HSCP). These services are mainly building based and remain popular with current service users.
- 3.2 In July 2017, Capability Scotland served formal notice to the HSCP Chief Officer on their intention to withdraw from their current contract on 20 October 2017, noting the current service model has accrued significant annual financial deficits and no longer is seen by Capability Scotland to be financially viable going forward. The timescale for closure was subsequently extended until 30 April 2018. This additional period was to provide greater time to support service users and their carers/families to consider alternative service options and to then meet the choices being made by service users in relation to their continuing care requirements.

- 3.3 Throughout this process, Renfrewshire HSCP has worked to be supportive and engage in a positive way with service users and carers/family members. This is central to how we work where a service is changing and this remains at the core of our approach. It is also important in providing this update to the IJB that we again recognise the challenge that this change presents to service users and their carers/family members. We have sought to acknowledge the uncertainty that such change can bring and our approach has reflected this in the way we have engaged and supported service users to explore options and to visit alternative services and from this make choices about how SDS budgets will be used.

4. Ongoing work to support service users

- 4.1 At its meeting on 26 January 2018, the IJB was updated on the governance arrangements the Chief Officer has established to personally oversee this change for service users and their carers/families. Members also received a detailed overview of the planning work underway (see Appendix 1: Action Plan) to ensure service users and their carers/families are supported as sensitively as possible, acknowledging that change can be distressing.
- 4.2 To date, staff from the Renfrewshire Learning Disability Service (RLDS) have worked with all the current Capability Scotland service users and carers/families to undertake individual assessments of their current needs and each has also been allocated an individual SDS budget.
- 4.3 Work now continues to support service users and their carers/families to consider their options, in line with SDS legislation, and to meet their choice of alternative care provision.
- 4.4 Appendix 2 of this report describes the process the Partnership has established to ensure we can be responsive in supporting service users and their carers/families to identify and access services which they are both happy to attend and that meets their care requirements. Individual service users have all been offered a referral to advocacy services and, where requested, this support has been provided.
- 4.5 As part of this process, the HSCP held a provider event on 30 January 2018 to help service users and their carers/family members to develop a greater awareness of the alternative service options available within Renfrewshire. Staff have also supported service user choice in how they apply their self-directed support budgets, and built on learning from assessments and responses to the 'what matters to me' questionnaires. The event was well attended by both service users and their carers/families, and the main service providers in Renfrewshire.

5. Capability Scotland

- 5.1 On 2 February 2018, Capability Scotland submitted a proposal, 'Grow' for the reconfiguration of their adult learning disability day services provided to clients in Renfrewshire.

5.2 Based on the HSCP and Renfrewshire Council Procurement Services appraisal of this model, the Chief Officer is of the considered view that, whilst largely positive in its proposed approach, in its proposed form this model does not offer anything different to similar services already available in Renfrewshire, such as our HSCP Community Networks service, and does not represent best value in comparison.

5.3 If IJB Members require any further information regarding this proposal, this information can be provided.

6. Renfrewshire Council Budget Decision

6.1 Renfrewshire Council's 2018/19 Budget included an approved motion in relation Capability Scotland which stated:

"In addition, agree that the required draw is made in 2018/19 from the resources carried forward to support Adult Social care as referred to in paragraph 1.10 of the Director's report, to fund the Health and Social Care Partnership for the provision of Day Care services currently provided at West Lane Gardens in Johnstone and Whitehaugh in Paisley until the end of 2018/19, providing greater time to support families to meet the choices being made by clients as to their care requirements."

6.2 Based on this Council budget commitment, and subject to IJB approval, the Chief Officer has agreed with Capability Scotland that the service can be funded to operate over the course of 2018/19. This will provide a longer period to support service users and their carers/families to consider alternative service options and to make choices regarding their future care requirements.

7. Next Steps

7.1. Renfrewshire HSCP will continue to support and meet the choices of individual service users and their carers/families in relation to their care requirements.

Implications of the Report

- 1. Financial** – Note Council 2018/19 Budget motion to fund the Health and Social Care Partnership for the provision of Day Care services currently provided at West Lane Gardens in Johnstone and Whitehaugh in Paisley until the end of 2018/19
- 2. HR & Organisational Development** – Nil.
- 3. Community Planning** – Nil
- 4. Legal** – Nil
- 5. Property/Assets** – the report notes that Capability Scotland currently lease two buildings from the Council to deliver services in Renfrewshire
- 6. Information Technology** – Nil.
- 7. Equality & Human Rights** – this report relates to social care services provided for one care group - Learning Disabilities service users and their carers
- 8. Health & Safety** – Nil

9. Procurement – review of Capability Scotland’s alternative service model has been appraised by Renfrewshire Council’s Procurement Services

10. Risk – as highlighted within the report.

11. Privacy Impact – Nil

List of Background Papers -

Author: David Leese, Chief Officer

Capability Scotland: Project Plan

Key:		Complete		On target		Risk of delay / Almost on Target		Significant Issues or needs improvement
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Workstream/Activity	Target Completion Date	Forecast Actual Completion Date	Status
Workstream 1: Service Provision			
Information Session for providers	Oct 2017	Oct 2017	
Market testing for re-provision of current day services.	Nov/Dec 2017	Nov/Dec 2017	
Provider Forum: promoting choice and flexibility within self-directed support building on learning from service user questionnaires about what people said matters to them.	30Jan 2018	30Jan 2018	
Outcome of discussions with Capability Scotland regarding alternative service model.	31 Jan 2018	31 Jan 2018	
Further provider information event/s to continue to assist service users ad carers/family members in considering options and to support them in identifying future service choices	End Feb 2018	End Feb 2018	
Plan developed for the expansion of Renfrewshire HSCP's Community Networks	End Feb 2018	TBC	
Workstream 2: Service User Individual Plans			
Review assessments to be completed and individual budgets allocated.	Nov/Dec 2017	Jan 2018	
All service users and families have identified alternative, appropriate services in line with Individual Plan and budget	Jan 2018	On going	
Collate progress report confirming agreed care plans for service users that are agreed for period from end April onwards.	March 2018	On going	
Workstream 3: Service User and Family Engagement			

Individual meetings with service users and relevant others	Nov/Dec 2017	Nov/Dec 2017	
Chair of Integration Joint Board visits to service users at Whitehaugh and West Lane Gardens	Nov 2017	Nov 2017	
Information and Engagement Event with service users and relevant others with providers. Presentations and information relating to HSPC and provider services.	30 Jan 2018	30 Jan 2018	
Ongoing discussion and support to service users as required.	Ongoing	Ongoing	
Workstream 4: Service Change Planning			
Work with service users, carers/families and Capability Scotland to develop a service change Plan	Late Feb / early March 2018	Ongoing with proactive engagement to support these being in place as soon as possible	
Support all service users in considering options and planning choices	18 April 2018	31 March 2019	

Service Matching Process for Capability Scotland Service Users

Following on from the Information event on 30th January RLDS staff co-ordinated further individual meetings with service users/relevant others with a view to progressing service change plans.

Individual meetings have addressed a number of issues including SDS budgets, service options and options for how budgets are used under Self Directed Support legislation.

The process therefore for supporting service users to consider service options and then to progress their choices can be through 4 options under the terms of the legislation and this is how the HSCP will therefore support users

Option 1:

The local authority through the HSCP provides a direct payment to the individual or their legal representative to enable them to buy the support they require and/or the budget can be used with agreement from the local authority/HSCP to purchase an item or support plan to meet the individual's needs/outcomes. The most common use of this option is the employment of a personal assistant. Renfrewshire HSCP provides advice and guidance to individuals relating to managing employment matters.

Option 2:

The selection of support by the supported person, the making of arrangements for the provision of it by the local authority through the HSCP on behalf of the supported person and, where it is provided by someone other than the local authority through the HSCP, the payment by the local authority of the relevant amount in respect of the cost of that provision.

Option 3:

The selection of support for the supported person by the local authority through the HSCP, the making of arrangements for the provision of it by the authority and, where it is provided by someone other than the authority, the payment by the authority of the relevant amount in respect of the cost of that provision.

Option 4:

Support is delivered through a mixture of the first 3 options (for example, a person could use option 1, direct payments, for respite care and option 3, services arranged by the local authority, for day service provision).

Most of the service users and family members/carers who have progressed planning so far have chosen a combination of Options 2 and 4. Some have expressed an interest in the future in exploring the opportunities offered by Option 1 but at this time are reluctant to take on the responsibility of managing the associated tasks of employing a personal assistant.

In planning with people, RLDS staff have a duty to ensure that support planning options discussed, are consistent with assessed needs and outcomes.

Some examples of planning which has been progressed highlight the choices individuals have made in order to agree a support plan which evidences meeting assessed need and outcomes:

- A small group of service users who have developed a friendship over the years they have attended Whitehaugh have pooled their SDS budgets to commission a single independent support provider through SDS Option 3. The support provider will support the users to sustain their friendship and coordinate their inclusion in community activities and life. The support will be tailored to the specific needs and outcomes of the three users, reduce isolation, increase independence, give opportunity for self management and promote a more person-centred approach to support planning. The group have been supported by RLDS staff to meet with and select support provider.
 - Similar to above example, some other service users are considering a similar model of small group or individualised support with a commissioned independent support provider.
 - Several service users who already live with support providers have chosen not to purchase alternative support provision with their individual budget. Instead they have chosen to purchase additional support from their existing supported living provider and are exploring how this support can be used to ensure needs and outcomes are met. This has seen an increase in support from established and known staff group.
 - Several service users have indicated a desire to explore the HSCP's day services and arrangements are progressing for some move to the Mirrin, Milldale and Community Networks services.
 - In addition to provision of services, SDS Option 1 has been offered for people who would like to consider using their SDS budget to employ a personal assistant. The SDS team were present at the Information event at The Lagoon Centre.
 - Our staff are also working to progress change plans for 2 older adults to older adults day services
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To: Renfrewshire Integration Joint Board

On: 23 March 2018

Report by: Chief Officer

Heading: Change and Improvement Programme Update

1. Summary

1.1. This report and attached appendix seeks IJB member support for Renfrewshire Health and Social Care Partnership's (HSCP) evolving Change and Improvement Programme, and the approval of a number of budget reinvestment proposals in line with the IJB's Financial and Strategic Plans.

2. Recommendation

It is recommended that the IJB:

- Note the content of the report;
 - Approve the budget proposals set out in Section 5 which will support mitigate the risks outlined in 5.1; and
 - Note that regular updates will continue to be brought to the IJB to report on progress and to seek approval for any new change and improvement work, including further savings proposals, to be included within this evolving programme.
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3. Background

3.1. The HSCP Change and Improvement Programme is focussed on proactively developing our health and social care services in line with national direction and statutory requirements; optimising the opportunities joint and integrated working offers; and ensuring any service redesign is informed by a strategic planning and commissioning approach. This in turn is supporting the financial planning and sustainability of the Partnership, creating efficiencies to address the IJB's financial pressures through generating savings and capacity to reallocate resources in line with our Strategic and Financial Plans.

3.2. This programme is being delivered through 3 Workstreams:

1. Optimising Joint and Integrated Working and shifting the balance of care;
2. Delivery of the HSCP Financial Plan; and
3. Statutory Requirements, National Policy and Compliance.

3.3. Appendix 1: 2017/18 Change and Improvement Programme March 2018 Update provides an overview of the supporting projects which are being delivered by each of these workstreams and their progress to date.

4. Workstream 1: Optimising Joint and Integrated Working and Shifting the Balance of Care

4.1. A range of service reviews and programmes are supporting the HSCP to tackle its challenging budget position whilst ensuring the delivery of safe, sustainable and integrated services in line with national direction and the priorities set out in the our Strategic Plan. This work includes:

4.1.1. Development and delivery of a comprehensive Primary Care Programme for 2018/2021 which will develop services in line with the new GP Contract; bring together groups of GP practices/clusters with a focus on quality improvement; provide support to promote extended multi-disciplinary team working, the development of clinical governance and service re-design across care groups;

4.1.2. Developing locality working in line with the national direction and to proactively develop our health and social care services through exploiting the opportunities joint and integrated working offers;

4.1.3. An objective, focused review to identify service pressures and to determine root causes of the drivers and challenges which impact on delivery of Care at Home Services;

4.1.4. Implementation of NHSGGC's 5-year Mental Health Strategy, alongside Renfrewshire's own Mental Health change and improvement activity to address local pressures;

4.1.5. An independent review of Addictions Services which will help inform a change programme over the next three years which shapes our service model to be person-centred, and recovery and outcome focused when meeting future care needs; and

4.1.6. Progressing our joint unscheduled Care action plan with colleagues in the RAH, as part of the wider NHSGGC Unscheduled Care Programme. It is intended that this work will demonstrate how the HSCP can reduce unscheduled bed day

demand on acute services and create a compelling case for resource transfer.

4.2. Appendix 1 provides a more detailed update on the progress of this work.

5. Workstream 2: Delivering the Financial Plan

5.1. As part of the ongoing financial planning process, the HSCP Senior Management Team (SMT) have been working with the Chief Finance Officer (CFO) to mitigate a number of financial risks facing the IJB, namely:

- The impact of an increased cost pressure on prescribing budgets due to the impact of short supply and the rising cost of medicines;
- The requirement to proactively manage the funding of Mental Health Special Observations. The IJB inherited a significant financial pressure as, prior to the Partnership being established, no budget was in place or allocated to meet these costs thereby creating an overspend in mental health budgets. Over 2017/18 the CFO forecasts an unfunded spend on special observations of circa £1.35m even with management action to mitigate the costs associated with this; and
- Renfrewshire Council Children's Services decision to revise its current Speech and Language Therapy funding allocation to the HSCP by £100k as of 1 April 2018.

Prescribing

5.2. A number of plans to address cost pressures in 2018/19 are being considered and progressed both locally (across NHSGG&C) and nationally by the national 'Prescribing Efficiency Group', consisting of representation across HSCPs, GP practices and the NHS Board's Lead Pharmacists. The overarching theme being to appropriately manage volumes and costs and influence current prescribing practice across both Acute and Community.

5.3. NHSGGC and its HSCPs have maintained excellent progress made over the last 10 years or so to balance prescribing efficacy and best practice with managed controls on costs and volumes. NHSGGC is now, using the measure of average weighted cost per patient per annum, one of the most cost efficient Health Board areas in Scotland.

5.4. As this work has progressed over recent years, it has proven ever more difficult to deliver financial balance across the HSCP prescribing budgets given the reducing scope for appropriate efficiencies. This has recently become challenged further by the cost hike we face due to the increased costs of drugs that have a short supply. In 2017/18 the cost impact of

short supply drugs across the NHSGGC area is estimated to be in the region of £7m.

- 5.5. Given the essential nature of these drugs, it is impossible to bring about cost controls to limit the impact on our financial position. The concern is now that the cost impact of short supply drugs in 2018/19 will increase further without any reasonable chance that we can deliver an equal level of cost efficiencies from elsewhere within the local prescribing budget.

Local Mental Health Review – Special Observations

- 5.6. The HSCP has identified a number of measures which will allow it to more proactively address the increasing spend on enhanced levels of observation within mental health inpatient services. This will be achieved through:

1. A targeted approach to ensure consistent best practice in the use of special observations;
2. Leading to a managed reduction in special observations costs in 2018/19; and
3. Creating a recurring budget to fund these costs as part of an HSCP budget realignment exercise (as requested by the IJB).

Reduction in Special Observations

- 5.7. Whilst patient safety is paramount, the service needs to balance safety with least restrictive practice. There have been several developments to review enhanced observations of patients and ensure that therapeutic interventions are delivered where possible, including:

- Daily reviews are now in place. At the commencement of each duty shift, nursing and, where available, medical staff will carry out clinical reviews of all enhanced observations for their area;
- Lead Nurse Support staff also, on a daily basis (Monday to Friday), attend the clinical areas to support staff to review and identify where 'Constant' and 'Specials' can be reduced where clinically fit and safe to do so to 'General', to review requirements for more challenging 2:1 observation ratios, and where appropriate, ensure protocols are followed by referral to the Intensive Psychiatric care unit;
- Complex case review meetings have been established to discuss the management of challenging behaviours with medical and senior nursing staff to address observations;
- A Performance and Strategy Group has been established with a particular focus on reducing the risk of absconding and proactive management of special observations;
- Adoption of best practice in line with the Mental Welfare Commission (MWC) guidelines.; and

- A preventative, community based approach is being taken to appropriately reduce the number of unscheduled admissions, linking in with system wide work being led by NHSGGC.

5.8. Since the introduction of these measures, there has been a marked reduction in the special observation levels by around a third. The monthly average spend for Months 1 – 8 was £121k, compared to Months 9 - 10 which was an average of £77k. The HSCP anticipate this downward trend will continue throughout 2018/19 and beyond.

Special Observations Budget

5.9. As noted above, the IJB inherited a significant financial pressure as, prior to the Partnership being established, no budget was allocated to meet the required cost of special observations, creating an overspend in Mental Health budgets often offset by slippage in other budgets. As the impact of delivering year on year recurrent savings has become clearer, we have less slippage from which we can fund these costs. With a view to proactively managing this spend, the IJB have asked the CFO to build this requirement into the IJB's Financial Plan for 2018/19. Based on current forecasts, work to reduce special observations and IJB approval of the proposal to create a recurring budget for this spend in 2018/19.

5.10. To support the creation of this budget, the HSCP has identified two budgets as part of the overall 2018/19 budget realignment exercise, ICF Acute and Employability Services, which it is proposing are reinvested to fund Special Observations:

5.10.1. **ICF Acute:** the HSCP has recently revisited how the Integration Care Fund (previously the Change Fund) is used, to ensure its allocation aligns with the priorities set out in our Strategic and Financial Plans, and the national direction set out the Health and Social Care Delivery Plan. For some time, the HSCP has provided funding (that has not been formally confirmed as recurring) to a number of Acute based posts in Acute Allied Health Professional (AHP) Services. The HSCP has developed effective pathways to high performing community based rehabilitation and reablement services which ensures that the HSCP meets its responsibilities for providing AHP support for patients discharged from the RAH. In light of this work and the Partnership's significant financial pressures, it is proposed that the HSCP phase out the funding of these Acute posts over 2018/19 in order to reinvest **£215k** towards the anticipated costs of Special Observations.

- 5.10.2. **Mental Health NetWork Employability as a Community Service:** The HSCP NetWork Service is a vocational rehabilitation service working within and supporting people with both mental health and addiction conditions. Given the significant financial pressures, it is proposed that in future patients who are in recovery are directed towards mainstream services for employment support and that the HSCP reinvest the NetWork Service budget of circa **£326k** to fund Special Observations.

Whilst not a core mental health service, and staff do not hold any clinical caseloads, the HSCP clearly recognises the contribution this service makes to those who access it. However, since the NetWork Service was established in 2013, the wider employability landscape has changed; with mainstream/community employment services becoming increasingly equipped to support people with mental health and addiction conditions. In Renfrewshire, there are now a number of services which offer advice and support for service users on their employment journey including Renfrewshire Council's Invest in Renfrewshire Employability Support, the Department of Work and Pensions (DWP), RAMH, Skills Development Scotland. Also, on 2 March 2018 Renfrewshire Council Budget agreed additional funding towards a new employability programme:

“£4.5million in a new employability programme for Renfrewshire. The programme is expected to lever £2.4million in additional European Funding bringing total programme investment to £6.9million. It will ensure all local people can benefit from economic growth and access jobs through our key projects such as Glasgow City Region City Deal investment, the National Manufacturing Institute in Scotland at Glasgow Airport, £100million capital investment in cultural and heritage regeneration including the Paisley Museum transformation and new job growth in early learning and childcare.”

Furthermore, over 2018/19 the HSCP will provide a small amount of one off, non-recurring funding to support the Third Sector and Community Groups who provide this type of service and also work with HSCP staff to ensure they are clear on how to signpost service users to alternative local providers.

Speech and Language Therapy (SLT) Services

- 5.11. Renfrewshire Council Children's Services has advised it will be reducing its current SLT funding by £100k per annum as of 1 April 2018.

5.12. In anticipation of this budget reduction, and to mitigate the risk of budget overspend, the HSCP has been planning a redesigned delivery model. This will be achieved by deleting vacant posts which are no longer funded and a reduction in staff working hours (at employees' request). In light of this planned reduction in resources, the HSCP will work with Children's Services to carry out a risk based review of the current Service Specification to ensure ongoing effective management of demands on the service.

6. Workstream 3: Statutory Requirements, National Policy and Compliance

6.1. There are a number of legislative requirements, external changes and national policies which the HSCP must also address over 2018/19 to ensure statutory compliance, good governance and to protect our service users and workforce:

6.1.1. Acting upon any actions and recommendations coming out of the recent HSCP Adult Services Inspection. The Care Inspectorate and Health Improvement Scotland (HIS) are expected to publish their findings report in April 2018;

6.1.2. Implementation of the provisions in the Carers Act, which are designed to support carers' health and wellbeing, which largely comes into force on April 1 2018;

6.1.3. Compliance with the new Duty of Candour regulations which will commence from 1 April 2018. The duty will create a legal requirement for health and social care organisations to inform people (or their families/carers acting on their behalf) when they have been harmed (physically or psychologically) as a result of the care or treatment they have received;

6.1.4. Local oversight of the implementation of the new GP Contract and supporting service redesign. This work will progress as part of a joined up approach with the other 5 HSCPs across the Greater Glasgow and Clyde area;

6.1.5. Implementation of the recommendations arising from the HSCP's recent evaluation of the Self Directed Support (SDS) system in Renfrewshire;

6.1.6. Local delivery of the 21 commitments set out in Scotland's third national Dementia Strategy which was launched in June 2017, The new strategy is the Scottish Government's most ambitious, with resource and cost implications connected to several of the commitments;

6.1.7. Managing the transition all the HSCP's telecare equipment from analogue to digital by 2025. In Renfrewshire over 3000 service users currently benefit from a range of analogue telecare services which enables them to continue to live safely within their own homes in older age and also people with a range of physical and /or learning disabilities.

7. Delivery and Support Model

- 7.1. The Change and Improvement Team is responsible for managing the timely delivery of the Change and Improvement Programme, providing a structured approach to managing change, optimising the use of change and improvement competencies and developing and sharing best practice throughout the HSCP.
- 7.2. The Team work closely with the HSCP's Workforce, People and Change Group to ensure staff and managers are supported through the change process, building greater capability for change, and ensuring staff are appropriately equipped to carry out the requirements of their job roles. This approach is fully shaped by the Organisational Development and Service Improvement Strategy and the Workforce Plan which have both recently been approved by the IJB.

Implications of the Report

1. **Financial** – the Change and Improvement Programme supports the delivery of the 2018/19 Financial Plan.
2. **HR & Organisational Development** – There are implications for NHS and Council posts. HR and OD work in close liaison with the Change and Improvement 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.
5. **Property/Assets** – property remains in the ownership of the parent bodies.
6. **Information Technology** – technology enabled solutions may be identified as part of the service reviews and pilot work.
7. **Equality & Human Rights** – the proposal contained in this report place due regard on equality requirements
8. **Health & Safety** – health and safety processes and procedures are being reviewed in order to support safe and effective joint working.
9. **Procurement** – procurement activity will remain within the operational arrangements of the parent bodies.
10. **Risk** – the report highlights a range of risks associated with the proposals and mitigation treatment where identified.
11. **Privacy Impact** – n/a.

List of Background Papers – None.

Author: Frances Burns, Change and Improvement Manager, Renfrewshire Health and Social Care Partnership

2017/18 Change and Improvement Programme

March 2018 Update

The 2017/18 Change and Improvement Programme is managed in 3 workstreams:

Workstream	Drivers
1. Optimising Integrated Working and shifting the balance of care	Effective use of resources / Demand mitigation / Financial
2. Delivery of the Financial Plan	Financial – to deliver a balanced budget
3. Statutory Requirements, National Policy and Compliance	Compliance

Workstream 1: Optimising Integrated Working and shifting the balance of care

1.1. Primary Care Programme

Work is underway to develop a comprehensive Primary Care Work Programme for 2018 - 2021 which will be lead through a dedicated HSCP team. The key aim of this Primary Care Work Programme will be to:

- Provide leadership and support to promote multi-disciplinary team working;
- Develop, support and maintain relationships with independent contractors, GP practice managers/nurses and external agencies to support the continued development of primary care services locally;
- Develop a comprehensive clinical governance and service re-design programme across care groups; and

- Support the development and implementation of the HSCP Primary Care Improvement Plan, to enable the development of the expert medical generalist role through a reduction in current GP and practice workload.

1.2. Localities

Our Heads of Health & Social Care, Chief Nurse and Change & Improvement Officer continue to work closely with our senior nursing staff and other key stakeholders to enable geographical working and to optimise the benefits of integrated multidisciplinary working:

Vision for Community Nursing: A programme of work continues to develop the vision for community nursing to provide a sustainable model of safe, effective service within Renfrewshire. This will provide the opportunity to improve responsiveness to workforce pressures within Community Nursing.

Phlebotomy: This work will be further developed in alignment with the phased implementation of the new GP Contract.

Flu Vaccinations: A successful HSCP Flu Vaccination Programme pilot for housebound vaccinations was delivered for those GP practices that opted in during October 2017, resulting in 1240 Flu vaccines administered. Flu vaccinations will be considered as part of the board wide Vaccination Transformation Programme.

Diabetic Patients: The Renfrewshire Integrated Diabetes Interface Group continues to meet. The group have developed a workplan/monitoring plan and key actions and messages are communicated to the wider workforce through targeted meetings and newsletters. The Group audit care in a variety of ways and circulate the results of these audits to staff and practices. Through the work of the Group there has been – reduced the length of time patients have to wait for secondary care return appointments at the diabetic clinic, increased the number of diabetics on statin treatment, increased self care for people with diabetes by promoting My Diabetes My Way, reduced house visits by District Nurses by rationalising patient's insulin regimes and rationalised prescribing of diabetic test strips with considerable cost savings. The Group also run a series of education meetings for GPs and Practice Nurses.

Continual professional development approaches: A succession plan is now in place to provide a consistent approach for development within district nursing and also additional development resources are available for wider staff group i.e. University of the West of Scotland (UWS) Service Level Agreement and Staff Bursary Scheme.

System wide capacity issues across District Nursing: Our Chief Nurse continues to work with the Chief Finance Officer to identify earmarked reserves, to support District Nursing succession planning and the Scottish Executive Nurse Director's Transforming Roles Agenda.

1.3. Care at Home Transformation Programme (Year 2)

Independent Strategic Service Review within the Care at Home Service

Content on the Independent Strategic Service Review within the Care at Home Service was subject to an IJB paper on 24th November 2017.

Four workstreams have continued to be developed to improve ways of working, workforce productivity and overall service governance, improving data collection, improving referral process and service user pathways, and assessment and review. A number of improvements have now been embedded and work progresses in relation to future service improvement approach.

Electronic Scheduling and Monitoring System

Our Care at Home Service is working to procure and implement a Scheduling and Monitoring system by 2018. Scheduling and Monitoring systems are already commonplace in most Scottish HSCPs, automating and improving how staff are scheduled to attend care visits and monitoring external providers' performance. This system will provide real time service information which will enable our Care at Home Service to be more resourceful in how they deploy front line workers and also to provide a more responsive service for the people they care for.

The Specification to Tender for the Scheduling and Monitoring system closed at the end of November 2017 when Renfrewshire HSCP reviewed and evaluated the tenders submitted from potential suppliers. The evaluation process is allowing the HSCP to identify a preferred tenderer which when finalised, will be subject to approval by Renfrewshire Council's Finance, Resources and Customer Services Policy Board on 28th March 2018. On approval, the HSCP will then begin the process to formally award the contract in April 2018 and begin the initiation stage to implement the chosen solution.

A further update on the Care at Home review will be subject to a separate IJB paper in June 2018.

1.4. Mental Health

5 year Strategy

The NHSGGC system wide 5 year Mental Health Strategy was subject to an IJB paper on 26th January 2018.

One of the key aims of Health and Social Care Integration is to provide joined-up quality health and social care services in order to better support the needs of patients, services users and carers to achieve positive and sustainable outcomes. The 5 year Mental Health Strategy is an ongoing review process which has been examining evidence and data relating to our current service models and reviewing options for consideration for future service provision. It is proposed that the unscheduled care should be standardised across the Board to provide a consistent model of service provision with equality of access. It will consider Bed remodelling, Liaison Services, Crisis Services and Out of Hours Service.

Local Mental Health Change Activity

See Section 5 of the main report which sets out the local work underway to proactively manage Special Observations and create a recurring budget for this spend.

1.5. Addictions Review

The whole systems review of Renfrewshire HSCP addiction provision commenced on the 8/1/18 under the direction of a lead independent reviewer. A multi-disciplinary review board has been established with membership including service management representation across all professions, stakeholders including GP, Third Sector, C/F, Criminal Justice, Health Improvement and Service User lived experience, the board also includes the Professional Lead Nurse for addictions and Social Work Professional Lead, HR and Staff side. The board meets on a 2 weekly cycle and is tasked with reviewing the work plan.

To date the review has been gathering information and consulting widely, a series of consultation events will have concluded by 6th March this includes staff, stakeholders and service user lived experience events at Paisley Town Hall. The review has also established links with the Inverclyde HSCP Addictions review to agree a joint process especially around medical resource as this is shared across both locations. Positive early themes are beginning to emerge and these have been shared with ADP, HSCP SMT and COG. It is anticipated that an initial first draft report will be presented to an extraordinary meeting of the ADP on the 5th April, with the final report present to ADP and senior management on the 26th April 2018.

1.6. Unscheduled Care (Acute)

We continue to progress our joint Unscheduled Care action plan with colleagues in the RAH, and report this through the Clyde Delivery Group as part of NHSGGC's Unscheduled Care Programme. It is intended that this work will demonstrate how the HSCP can reduce demand on Acute Services and create a compelling case for resource transfer.

The HSCP has recently submitted trajectories for the 6 indicators being measured by the Ministerial Strategic Group (MSG). These show Renfrewshire maintaining our delayed discharge levels, our balance of care and the proportion of people supported to receive end of life care in a community setting. We expect to reduce our number of unplanned admissions and unplanned bed days by 4% over the 2015/16 baseline, and to bring back our A and E attendances to the 2015/16 level.

In the last month, we have developed the GP and health professional part of our website which summarises the alternatives available to hospital admission – both in hospital and in the community.

Workstream 2 Delivery of the Financial Plan

Budget proposals:

Proposal Type	Description	PAG Risk Assessment **	2018/19 Saving
Budget realignment for IJB approval	Provision of Mental Health employability service as a community model to enable the HSCP to create transferred to create a recurring budget to fund Mental Health Special Observations.	GREEN	£326,000
Budget Realignment for IJB approval	Reinvestment Acute Integration Care Fund allocation to create a recurring budget to fund Mental Health Special Observations.	GREEN	£216,700
Budget reduction to note	Reduced Council funding for Speech and Language Therapy Services.	GREEN	£100,000
TOTAL			£642,700

** Professional Advisory Group independently assess each proposal from a clinical and care governance perspective, taking into account mitigation action that will be taken by each Service to address any risks identified.

RISK RAG:

RED - HIGH

AMBER – MODERATE

GREEN - LOW

Workstream 3: Statutory Requirements, National Policy and Compliance

3.1. Implementation of the Carers Act

The implementation of the provisions in the Carers Act, which are designed to support carers' health and wellbeing, will largely come into force on April 1 2018. This legislation builds on the aims and objectives set out in the National Carers and Young Carers Strategy 2010-2015.

The HSCP is on track to have requirements in place for the commencement of the Act, in line with the Scottish Government timelines. The Scottish Government has drafted statutory guidance to support the implementation of the Act, however this will not be finalised until March, 2018.

A detailed update on the significant preparatory work under way across Renfrewshire in order to achieve 'readiness' in time for commencement of the Carers Act in April 2018 is the subject of a separate paper to this meeting.

3.2. Joint Inspection of Adult Services

The Joint Inspection of Adult Health and Social Care in Renfrewshire took place between October and December 2017.

On 9 February 2018, the draft inspection report 'Effectiveness of Strategic Planning in the Renfrewshire Area', was issued to the Chief Officer of Renfrewshire HSCP, the Chief Social Work Officer and the Chief Executives of Renfrewshire Council and NHS Greater Glasgow

and Clyde and is for limited circulation at this time. At this stage the grading cannot be confirmed however the HSCP has viewed the draft report's findings positively with recognised potential areas for improvement.

The HSCP is currently undertaking a factual accuracy assessment of the draft report and provide feedback to the Inspection Team. It is envisaged that the final report will be published by the Care Inspectorate in April 2018. A copy of the report and the HSCP's improvement plan will be brought to a future IJB meeting.

3.3. Dementia Strategy

The National Dementia Strategy for Scotland 2017-2020 was published in June 2017. This three year strategy builds on the work of the two previous strategies, which were published in 2010 and 2013. The strategy sets out 21 commitments to improve care for people with a diagnosis of dementia and their carers. Each commitment has national and/or local actions, which are required to be completed within the three year timeframe.

The Renfrewshire Dementia Strategy Group has responsibility for ensuring the local actions are progressing against the agreed timescales. The strategy Group is a multi-agency group with representatives from Renfrewshire HSCP, independent sector organisations and third sector organisations such as Renfrewshire Carers Centre and Alzheimer Scotland. The group meet bi-monthly to discuss Renfrewshire's progress against the commitments and report their findings to the Mental Health, Addictions and Learning Disabilities Governance Group and the Senior Management Team. At present Renfrewshire has achieved or continues to achieve all of the local commitments from this and the previous strategies. The local actions required to achieve the national commitments are being considered by the National Implementation Group and the National Advisory Group, with further guidance to follow later in the year.

The current strategy is the most ambitious to date, with commitments relating to health and social care services, GP Practices, care homes, housing, Police and public transport organisations, amongst others. The commitments within the strategy come with greater resource implications than in previous strategies. These will require a degree of service change and extra financial resource to achieve.

3.4. GP Contract

Content of the proposed new 2018 General Medical Services (GMS) Contract in Scotland was subject to an IJB paper on 26th January 2018.

The new GP contract Link: <http://www.gov.scot/Resource/0052/00527530.pdf> was agreed in January 2018, which aims to support the development of the Expert Medical Generalist role for GPs, with a shift over time of workload and responsibilities to enable this. A key

enabler for this is investment in a wider multi-disciplinary team in support of general practice. The new contract offer is supported by a Memorandum of Understanding Link: <http://www.gov.scot/Resource/0052/00527517.pdf> which requires the development of a HSCP Primary Care Improvement Plan, in partnership with GPs and collaborating with other key stakeholders including NHS Boards that is supported by an appropriate and effective Multi-Disciplinary Team model at both practice and Cluster level, and that reflects local population health care needs.

As agreed by the IJB on 26th January 2018, The Chief Officer will now progress the necessary actions within Renfrewshire to develop the Local Primary Care Improvement Plan and will present this to the IJB in June 2018 for approval. As outlined in 1.1, this will progressed as part of the Renfrewshire Primary Care Programme.

3.5. Duty of Candour

The new duty of candour regulations will commence from 1st April 2018. The duty will create a legal requirement for health and social care organisations to inform people (or their families/carers acting on their behalf) when they have been harmed (physically or psychologically) as a result of the care or treatment they have received. The principles of disclosure of the adverse event include: Open & timely communication, Acknowledgement of harm, Apology/expression of regret and Supporting the needs & expectations of patients/family.

The Scottish Government published supporting regulations on 13th February 2018. An NHSGGC Short Life Working Group has developed a Policy and Procedure (Duty of Candour Compliance) which has been circulated for consultation, and comment will be considered on 5th March 18. It is proposed that this policy will be shared and amended locally for other non-Health services such as social care. An e-learning resource is also being developed by NES (NHS Education for Scotland). Locally there has been presentation to the Senior Management Team, Adult Protection Committee and Service Managers regarding the draft policy and expectations.

3.6. Telecare: Analogue to Digital

OFCOM has advised that by 2025 all UK analogue telephone services in the UK will be switched off and replaced by digital connections. This means the current analogue telecare equipment, such as alarm units with linked telecare sensors, will also need to be upgraded to digital technology. Vulnerable people rely on this telecare equipment to activate a call to an alarm receiving centre, who then summon assistance from a local responder team or instigate an emergency service response. In Renfrewshire over 3000 service users currently benefit from a range of analogue telecare services which enables them to continue to live safely within their own homes in older age and also people with a range of physical and /or learning disabilities. Initial costings provided by one supplier would incur a cost of circa

£750,000, based on a 5-year projection, for the replacement of the current kit. Further work is being undertaken in conjunction with the Council's ICT Service to consider different costing / delivery models available and these will be shared with the HSCP senior Management Team and Council's Director of Finance.

To date, there has been no suggestion that national funding will be available to assist HSCPs. This may mean the HSCP will need to approach the Council for capital funding in order to take this forward. Renfrewshire HSCP are also represented on the national Specification, Standards and Processes Group which is in its infancy and looking at establishing standards around the new Digital Telecare we will require to use. This will inform local planning and governance arrangements to ensure appropriate preparations and funding are in place to enable this transition.

3.7. Self Directed Support (SDS) Evaluation

The HSCP recently undertook a Self Evaluation of SDS in Renfrewshire, involving a wide range of stakeholder representatives. Its aims were to:

- measure progress in embedding SDS into practice;
- seek indications of the impact of SDS on stakeholders;
- mark Renfrewshire's progress against the national strategic outcomes; and
- engage stakeholders in identifying areas for improvement and suggestions on future action.

This approach ensures any ideas of improvement will be based on evidence and on stakeholder consultation and engagement.

A draft Findings Report was submitted to the HSCP Senior Management Team (SMT) in January 2018 and a detailed improvement action plan is now being developed in consultation with stakeholders, with a particular focus on:

- a) a review of SDS administrative and financial processes; and
- b) consultation on the proposed developed of an information and communications strategy with stakeholders

An updated report, including a draft improvement action plan with delivery timescales, will be presented to the SMT for approval in March 2018.

To: Renfrewshire Integration Joint Board

On: 23 March 2018

Report by: Chief Finance Officer

Heading: 2018/19 Delegated Health and Social Care Budget

1. Purpose

1.1 This report describes the financial allocation and budgets made available to the Integration Joint Board (IJB) for 2018/19 by the Council and NMSGC and outlines the main financial pressures on health and adult social care services.

2. Recommendation

It is recommended that the IJB:

- Agree to accept the delegated Adult Social Care Budget for 2018/19;
- Agree to provide formal assurance to Renfrewshire Council that resources being transferred for delegated adult social care functions will not be utilised to offset any resource shortfall or unacceptable risk position for the provision of delegated health services;
- Subject to the approval of the recommendations in relation to the delegated Health budget detailed in the Change and Improvement Update, agree to the Chief Finance Officer's (CFO) recommendation to accept the indicative 2018/19 delegated Health Budget which includes assumptions that:
 - The 1.5% cash uplift for 2018/19 allocated by the Scottish Government is received in full (reference Appendix 1)
 - The HSCP's share of any additional monies allocated by the Scottish Government to meet the additional costs of the Scottish Government's pay policy for Agenda for Change Grades above the first 1% will be allocated in full.
 - The budget allocation includes the HSCPs share of the mental health and alcohol and drug funding uplifts from the Scottish Government for 2018/19 (reference Appendix 1)
- Agree subject to the above assumptions being included within the final budget offer made to the HSCP, to delegate responsibility for accepting the 2018/19 delegated Health Budget to the Chief Officer (CO) and Chair of the IJB.
- Approve the use of reserves (from the health budget) to fund the impact of delays in the implementation of the required savings for the Health delegated budget in 2018/19

3. Introduction

3.1. Renfrewshire IJB is a legal entity in its own right created by Parliamentary Order, following ministerial approval of the Integration Scheme. It is accountable for the stewardship of public funds and ensuring that its business is conducted under public sector best practice governance arrangements including ensuring that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. The budget delegated by our

two partner bodies, NHSGGC and Renfrewshire Council is used by the IJB to commission services from its two partner organisations. The principles of the funding allocated by the two partner organisations is set out in the Integration Scheme, however, utilisation of this funding is delegated to the IJB.

- 3.2. Under the terms of the Integration Scheme partner organisations should make appropriate arrangements to fund pay awards, contractual uplifts, the impact of demographic changes and determine efficiency targets as part of their respective budget setting processes.
- 3.3. The role of the Section 95 Officer (Chief Finance Officer) for the IJB includes both the adherence to professional standards as well as compliance with “The Local Government (Scotland) Act 1973 section 95, which clearly states that:

“...every local authority shall make arrangements for the proper administration of their financial affairs and shall secure that the proper officer of the authority has responsibility for the administration of those affairs.”

for the IJB this includes the requirement to ensure a balanced budget is set.

4. 2018/19 Overview

- 4.1. On 14 December 2017 the Scottish Government published their draft budget for 2018/19 which was subject to parliamentary approval over the course of January and February 2018. Included within the conditions of the 2018/19 budget is the continued prioritisation of financial support for social care including the use of funding provided through the health budget of £355 million to support Adult Social Care services. For Renfrewshire HSCP this totals £12.254m.
- 4.2. This report sets out the implications of the Scottish Government budget announcement of 14 December 2017 and provides members with an overview of the IJB's anticipated budget allocation for 2018/19.
- 4.3. In agreeing the 2018/19 budget, members will wish to consider the medium and longer term financial context for the IJB and the ongoing financial pressures and significant challenges which were detailed in the HSCP's three-year Financial Plan which was approved by members on 15 September 2017.
- 4.4. As in 2017/18, the Scottish Government draft budget provided grant figures for one year only, covering 2018/19. Although the Scottish Government has not provided any material details of spending plans beyond 2018/19 it has published some high-level figures for 2019/20 which indicate that the public sector in Scotland will continue to face a challenging medium term financial outlook. There is however significant uncertainty over the scale of the likely reduction. Since a larger proportion of the Scottish Budget is now driven by devolved tax powers, this brings additional risk to the level of funding available for public services in Scotland. As the Scottish Government budget moves towards c50% of its budget being generated from devolved tax raising powers, the performance of the Scottish economy becomes a key factor in the overall level of resources available to the Scottish Government. Whilst economic growth in Scotland remains markedly behind that of the UK, it is likely that the Scottish Government's budget will be subject to uncharted levels of uncertainty and risk moving forward. There are also wider risks which may further influence the level of resources made available to the Scottish Government due to the ever changing political and economic environment, within Scotland, the UK, across Europe and globally.

- 4.5. For 2018/19, the Scottish Government have exercised devolved tax raising powers to generate an increase in their budgeted resources for 2018/19 to support local government. However, future opportunities for the Scottish Government to generate similar additional resources in the short to medium term may be limited. Real uncertainty therefore remains over the scale of the reduction in resources over the medium term. This along with the continuation of annual cost pressures and increasing demand will drive a need for further significant and sustained savings to ensure financial sustainability across all sectors.
- 4.6. The HSCP's three-year Financial Plan reflects the economic outlook beyond 2018/19, adopting a strategic and sustainable financial plan linked to the delivery of priorities in our Strategic Plan. These strategic priorities will continue to provide a focus for future budget decisions, where the delivery of core services must be balanced with the resources available. Our three-year Financial Plan focuses on a medium-term perspective centred on financial sustainability, acknowledging the uncertainty around key elements including the potential scale of savings required and the need to redirect resources to support the delivery of key priorities. In addition, it is important that the IJB works towards creating sufficient reserves to protect it during the course of the financial year as highlighted by the CFO in previous reports to the IJB. In addition, members should note that Audit Scotland will continue to closely monitor the IJB's position to ensure unallocated general working balances remain at an appropriately prudent level.
- 4.7. Over the past number of months, budget assumptions have been updated including the impact of new statutory obligations, and the impact of increasing demographic and demand pressures. In addition, the CFO has identified areas of existing resource to re-direct to mitigate the impact of current and emerging cost pressures.
- 4.8. As detailed in the HSCP's three-year Financial Plan the financial projections beyond 2018/19 include a range of key assumptions for which there remains significant and real uncertainty. These include:
- Future funding allocations from Partner Organisations** – as the Scottish Government has not provided any material details of spending plans beyond 2018/19 other than high level figures which indicate low levels of cash growth in the budget for 2019/20.
 - Future Pay Settlements** - at present no national agreement has been reached on a pay settlement for 2018/19. The public sector pay policy announced by the Scottish Government alongside the Draft Budget outlined a 3% pay increase for 2018/19 for those employees earning up to £36,500 with 2% applying thereafter.
 - Demand led Pressures** – demographic and socio-economic demand led cost pressures continue to be a key financial risk moving forward. The HSCP continues to actively progress a wide range of key demand and cost management actions to mitigate the financial impact of these pressures whilst seeking to achieve better outcomes for clients and their families.
 - Prescribing** - impact of additional premiums paid for drugs on short supply
- 4.9. The implications of the above and the associated impact on the Renfrewshire IJB delegated budgets are outlined in the following sections of this report.

5. Delegated Adult Social Care Budget 2018/19

- 5.1. For 2018/19 the scale of demand and cost pressures faced by Adult Social Care is significant due to potentially substantial cost pressures arising from: the renewal of contractual arrangements; impact of living wage negotiations; Carers Act; increase on the National Care Home Contract and ongoing pressure on the Care at Home service in relation to costs associated with shifting the balance of care by supporting people to live safely at home for as long as possible, and facilitating prompt discharge from hospital.
- 5.2. Over the past years, Adult Social Care has successfully managed to take forward a wide range of mitigation programmes designed to dampen the impact of demand led growth, however, there is a risk that as these pressures continue to grow in their scale and impact, the ability to mitigate and dampen these is not able to keep pace with the resources available.
- 5.3. Working with Renfrewshire Council's Director of Finance, the Chief Finance Officer, using a range of informed assumptions, has estimated that the demand and cost growth for Adult Social Care in 2018/19 linked to the areas highlighted in para 5.1 is likely to be in the region of a gross increase of c.£4million.
- 5.4. In 2017/18 Renfrewshire Council set aside £4.4 million for Adult Social Care service pressures, which throughout 2017/18 has been managed jointly by the Director of Finance and Resources for the Council and the CFO. It is anticipated that around £1.5 million of non-recurring resource will remain unallocated in 2017/18, with a minimum of £1 million available on a recurring basis moving into 2018/19. The non-recurring resources unallocated at the end of 2017/18 will be carried forward by the Council to be made available to the HSCP in 2018/19.
- 5.5. In recognising these pressures following the Director of Finance and Resources recommendation, Renfrewshire Council, at its meeting of 2 March 2018 agreed to make provision for c.£2.1 million of additional resources to be made available for drawdown by the HSCP in 2018/19. This additional resource is broadly equivalent to the Council's share of the £66m additional funding provided to Local Authorities as part of the settlement for Local Government for 2018/19 (Appendix 1)
- 5.6. The table below summarises the impact this would have on the 2017/18 base budget carried forward into 2018/19. This position may change during the course of 2018/19 as emerging pressures become clearer.

Adult Social Care Budget		£m
Projected Outturn for 2018/19 (based on current known and estimated pressures)		67,875
Funded by:		
Base Budget 2017/18 rolled forward		63,848
Balance of Funding Made Available by the Council	Recurring	2,527
	Non-recurring	1,500
Total Funding Available to be drawn down in 2018/19		67,875

note: the above is subject to final adjustments including increases in relation to the 18/19 pay award (still to be agreed with unions);

- 5.7. The amount of drawdown will be agreed between the Council's Director of Finance and Resources and the CFO, on the basis of the actual impact of the cost pressures over the course of the financial year. Members should however note that £1.5m of these resources are non-recurring and will not be available in future years, and will therefore become a recurring pressure for the adult social care budget from 2019/20 onwards. Updates on the level of resource required to be drawn down will be reported to members in the finance budget monitoring papers throughout 2018/19.
- 5.8. Members should also note that on 3 March 2018 Renfrewshire Council also approved a 2.5% increase in charges (including Adult Social Care). In addition, in order to closer align the self-funder rates applied in Council provided Care homes to those charged across the external market, an increase to £686 per week was approved. This increase remains materially below that of other external providers across Renfrewshire.
- 5.9. Given that the Council have again recognised, in their budget allocation to the IJB the significant pressures which the Adult Social Care budget faces in 2018/19, (similar to the CFOs recommendations in 2017/18), it is recommended that the IJB provide formal assurance to Renfrewshire Council that resources being transferred for delegated adult social care functions will not be utilised to offset any resource shortfall or unacceptable risk position for the provision of delegated health services. This assurance will not preclude the IJB making any future service or resource changes where such decisions are in line with the direction of travel as set out in the IJB's Strategic Plan.
- 5.10. As highlighted in Section 3 of this report due to the financial outlook of the Scottish Government's budget beyond 2018/19, members should note the risk that as these pressures continue to grow in their impact, the ability of the Council to assist with additional resources in future years may not be possible.

6. Delegated Health Budget 2018/19

- 6.1. On 14 December 2017, the Director of Health Finance, Scottish Government, wrote to NHS Chief Executives (Appendix 1), setting out the draft budget for 2018/19 for NHS Boards. This included narrative which set out the expectations that the funding settlement for Health Boards would allow for progress to be made in:

“delivering the commitment that more than half of frontline spending will be in community health services by the end of this parliament. The funding in 2018-19 is designed to support a further shift in the share of the frontline NHS budget dedicated to mental health and to primary, community and social care. The Cabinet Secretary for Health and Sport expects NHS Boards and Integration Authorities to contribute to this Programme for Government commitment and it will be essential that this is clearly evidenced as part of plans for 2018-19”

- 6.2. Also included within the letter are details of the:
- funding for Investment in Reform across a range of priority areas
 - Scottish Governments Pay Policy for 2018-19 The pay settlement for NHS staff will of course be subject to the NHS pay reviews process as in previous years.
 - **Core Areas of Investment including:**
 - Transformational change fund of £126 million

for implementation of new service delivery models, improved elective performance and investment in digital capability

- Mental Health Strategy
increasing the level of investment in mental health services - £17 million towards the commitment to increase the workforce by an extra 800 workers over the next 5 years; and for transformation in CAMHS (provided on the basis that it is in addition to existing 2017/18 spending levels by NHS Boards and IJBs). Therefore, total spending on mental health and CAMHS services must increase as a minimum by £17 million above inflation.
- Primary Care Fund
rises to £110 million in 2018-19 to support the expansion of multidisciplinary teams for patient care, and a strengthened and clarified role for GPs as expert medical generalists and clinical leaders in the community.
- Social Care
NHS Boards are required to transfer £350 million from baseline budgets to IJBs to support social care with an additional recurring £5 million in relation to war pensions and guaranteed income payments.
- Alcohol and Drug Partnerships
additional investment of £20 million in treatment and support services in addition to the £53.8 million allocated to Boards in 2017/18

6.3. In addition, the letter makes clear the expectation that all NHS Boards should have agreed their 2018/19 budget settlements for IJB's prior to the start of the new financial year.

6.4. Building on the long-standing approach to deliver savings and efficiencies for local health services, during the past year, the CO has successfully managed to take forward a number of mitigation programmes intended to dampen the impact of demand led growth. However, the scope to further mitigate and reduce demand for further recurring savings is limited.

6.5. As previously discussed with members, the delegated health budget includes a number of budget areas which cannot be considered for planned savings:

- Resource Transfer from the NHS is used to directly fund social care services provided directly through the Council or commissioned from third party organisations.
- Prescribing budget has a clear clinically led approach to cost containment and volume control as part of an NHSGGC system wide approach and one that is built up from the prescribing patterns of individual GPs and known costs;
- Family Health Service budgets directly fund income to contracted services such as GPs;
- Social Care Fund is passed directly through to Renfrewshire Council for allocation to the Adult Social Care Budget;
- Mental Health services protection in line with the Scottish Government's directions for the 2018/19 budget allocation;
- Health Visitors funding – this is a ring-fenced allocation from the Scottish government in line with their priority to increase the number of Health Visitors by 2019/20

6.6. The table below provides a summary of the above, highlighting that the amount of remaining budget against which any savings targets need to be delivered is c £31.2 million the majority of which are employee related budgets.

Health Budget Influencable Spend	£'000's
2017/18 Net Recurring Budget <i>(not including Set Aside)</i>	£160,863
Less:	
Resource Transfer	-£16,900
Prescribing	-£35,041
Family Health Services	-£43,747
Social Care Fund	-£12,400
Mental Health (per SG directions for 18/19)	-£18,949
Health Visitors Money (ring fenced funding)	-£2,589
	-£129,626
= Remaining budget against which savings can be applied	£31,237
% of budget against which savings can be applied	19.42%

6.7. The CFO, using a broad range of assumptions, has estimated that the demand and cost growth for delegated Health Services (not including Set Aside) in 2018/19 is likely to be in the region of £4.1 million. In order to identify the funding gap for 2018/19 the Chief Finance Officer has built in a number of assumptions which include:

- Inflationary increase of 1.5% (on eligible budgets)
- Additional monies to support the Scottish Government pay agenda
- Zero uplift for Resource Transfer in 2018/19
- Approval of the second tranche of savings (detailed in the Change and Improvement Paper to the IJB on 23 March 2018)

6.8. The table below provides a summary of the above:

	Amount In £000's
Anticipated Budget Pressures	4, 026.0
<u>Less:</u> Estimated share of SG 1.5% allocation to Health Boards	(1,750.9)
<u>Less:</u> Estimated additional funding for Agenda for Change pay uplift	(593)
<u>Less:</u> Savings / Mitigation	(1,545.0)
= Remaining Shortfall	= (137.06)

6.9. Taking into account all of the above this would then leave the delegated Health Budget with a funding gap of £137k, which would be funded on a non-recurring basis from the ear marked reserve for prescribing.

6.10. Members should note that the current projected 2018/19 pressure for prescribing is due to the impact of short supply. Although work is underway to mitigate this increased pressure through a number of actions including: collaborating with other HSCPs in GG&C and across Scotland to proactively engage with the Scottish Government with the clear aim of establishing plans to reduce overall drug costs in 18/19. This may include a clear focus to: test how improved national procurement can generate a cost advantage in year; considering what drugs are available in 2018/19 in Scotland/locally with the joint aim that patient need is met, patient safety assured, effectiveness and evidence are prioritised but costs are reduced. Chief Officers are clear that this work must deliver real benefits in year in order to avoid the risk of these excess costs driving us to further reduce other service and staffing budgets to fund these.

The table below provides a summary of the main causes and effects of short supply.

Short Supply	
Causes	Malfunctioning equipment on the production line
	Shortage of a raw material
	Packaging failing to meet the required specification
	Manufacturing temporarily suspended due to quality concerns
	Imbalance between supply and demand e.g. unanticipated changes in demand or inaccuracies in forecast usage
	Medicines are manufactured in very few sites worldwide, therefore, there is little flexibility in the supply chain should problems arise
Effects	Significant increase in costs
	Impacts on the ability of dispensers both in acute and primary care to provide drugs for patients
	Can occur at a local or national level
	Worldwide burden for community pharmacy, NHS employees, GP practices through the additional time spent attempting to source drugs and/or identify and risk assess alternatives - in turn impacts on patient care through anxiety for patients as changes in medication may be necessary
	Poorer outcomes may result if optimal treatment is delayed or unavailable

6.11. *Set Aside Budget for 2018/19*

The joint working group chaired by the Assistant Director of Finance for NHSGGC, which includes representatives from the Scottish Government and the CFOs for Glasgow and Renfrewshire HSCP's (representing all 6 HSCP's), continues to review the Set Aside budget to identify an agreed mechanism for the transfer of resource. Once this work is concluded the set aside budget delegated to HSCP's will be based on actual activity data and costs, and will replace the current notional allocation.

6.12. *Historic Community Health Partnership (CHP) undelivered savings*

The Chief Officer has agreed a way forward to enable the HSCP to fund our share of the historic £3.6m savings detailed in 2017 for the IJB.

6.13. As NHSGGC are yet to approve their 2018/19 budget, in order to agree the delegated Health Budget for 2018/19 the CFO's recommendation to the IJB is to accept the indicative 2018/19 delegated Health Budget which includes assumptions that:

- The 1.5% cash uplift for 2018/19 allocated by the Scottish Government is received in full (reference Appendix 1)
- The HSCP's share of any additional monies allocated by the Scottish Government to meet the additional costs of the Scottish Government's pay policy for Agenda for Change Grades above the first 1% will be allocated in full.
- The budget allocation includes the HSCP's share of the mental health and alcohol and drug funding uplifts from the Scottish Government for 2018/19 (reference Appendix 1)

6.14. Agree subject to the above assumptions being included within the budget offer made to the HSCP, to delegate responsibility for accepting the 2018/19 delegated Health Budget to the CO and Chair of the IJB.

Implications of the Report

1. **Financial** – Financial implications are discussed in full in the report above.
2. **HR & Organisational Development** – none
3. **Community Planning** – none
4. **Legal** – This is in line with Renfrewshire IJB's Integration Scheme
5. **Property/Assets** – none.
6. **Information Technology** – none
7. **Equality & Human Rights** – The recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** – none
9. **Procurement** – Implementation of the living wage impact on existing contracts with providers and their ability to deliver within the allocated funding package
10. **Risk** – Delays in setting the budget may impact on the IJBs ability to achieve financial balance in 2018-19. In addition there are a number of risks which should be considered on an ongoing basis: adequate funding to deliver core services, delivery of additional unallocated savings within the current financial year
11. **Privacy Impact** – none.

List of Background Papers – none

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Chief Executives, NHS Scotland

Copy to: NHS Chairs
NHS Directors of Finance
Integration Authority Chief Officers

Issued via email

Our Ref: A19675337

14 December 2017

Dear Chief Executives

Draft Budget 2018-19 – Indicative Allocation

Following the announcement of the Scottish Government’s Draft Budget for 2018-19 by the Cabinet Secretary for Finance and the Constitution in Parliament today, I am writing to provide details of the funding settlement for Health Boards and the indicative 2018-19 baseline budget for Territorial and National Boards. A breakdown of the total is provided in the annex to this letter.

A central component of the settlement for the Portfolio is that it will allow for progress to be made in delivering the commitment that more than half of frontline spending will be in community health services by the end of this parliament. The funding in 2018-19 is designed to support a further shift in the share of the frontline NHS budget dedicated to mental health and to primary, community and social care. The Cabinet Secretary for Health and Sport expects NHS Boards and Integration Authorities to contribute to this Programme for Government commitment and it will be essential that this is clearly evidenced as part of plans for 2018-19.

Investment in Reform

Funding for reform will increase by £175 million, to £303 million in 2018-19.

	2017-18 (£m)	2018-19 (£m)	Increase for 2018-19 (£m)
Transformational Change Fund	25.0	126.0	101.0
Primary Care	60.0	110.0	50.0
Mental Health	30.0	47.0	17.0
Trauma Networks	5.0	10.0	5.0
Cancer	8.0	10.0	2.0
Total Investment in reform	128.0	303.0	175.0

The components of these lines and the approach to allocating reform funding will be set out by individual policy areas in advance of the new financial year.

Baseline Funding

Territorial Boards will receive a cash terms uplift of 1.5%. In addition to this, those Boards furthest from NRAC parity will receive a share of £30 million, which will mean that no Board is further than 0.8% from NRAC parity in 2018-19.

The four patient facing National Boards, (Scottish Ambulance Service, NHS24, Golden Jubilee and The State Hospital) will each receive a cash terms uplift of 1.0%. In addition, the Scottish Ambulance service will receive a further £6 million to support the implementation of their strategy. NHS National Services Scotland, Healthcare Improvement Scotland, NHS Education for Scotland and NHS Health Scotland will receive a flat cash settlement.

The National Board savings requirement of £15 million in 2017-18 will be made recurring in 2018-19. This savings requirement is not yet reflected in the National Board baseline allocation and will be agreed in advance of the new financial year.

When combining the £175 million increase in investment in reform, with an increase of £179 million in baseline funding for NHS Boards, the total additional funding for frontline NHS Boards will amount to £354 million (3.7 per cent) in 2018-19.

Pay Policy

The Scottish Government has set out its 2018-19 pay policy, which recommends a 3% pay increase for public sector workers earning £30,000 or less and a cap of 2% on the increase in the pay bill for staff earning more than £30,000. In addition, there will be a cap on the pay increase for highest paid, with a maximum cash increase of £1,600 for those earning above £80,000.

The pay settlement for NHS staff will of course be subject to the NHS pay reviews process as in previous years.

Core Areas of Investment

Transformational Change

The transformational change fund of £126 million will provide support to the regional delivery plans for implementation of new service delivery models, improved elective performance and investment in our digital capability.

Mental Health

Through our new Mental Health Strategy, we are shifting the balance of care towards mental health, increasing the level of investment in mental health services and improving support in the crucial period from birth to young adulthood. To support this, in 2018-19 a further £17 million will be invested, which will go towards the commitment to increase the workforce by an extra 800 workers over the next 5 years; and for transformation in CAMHS. In order to maximise the contribution from this direct investment, this funding is provided on the basis that it is in addition to a real terms increase in existing 2017-18 spending levels by NHS Boards and Integration Authorities. As a result therefore, it is expected that NHS Boards and Integration Authorities ensure that total spending on mental health and CAMHS services in 2018-19 will increase as a minimum by £17 million above inflation. Directions regarding the use of £17 million will be issued in year.

Primary Care

Investment in the Primary Care Fund will rise to £110 million in 2018-19. This will support the transformation of primary care by enabling the expansion of multidisciplinary teams for improved

patient care, and a strengthened and clarified role for GPs as expert medical generalists and clinical leaders in the community.

Social Care

As in 2017-18, Territorial NHS Boards are required to transfer £350 million from baseline budgets to Integration Authorities to support social care. A further £5 million will be allocated in 2018-19 on a recurring basis to Boards to be transferred to Integration Authorities in relation to war pensions and guaranteed income payments.

As part of the settlement for Local Government, £66 million has been provided to Local Authorities recognising a range of pressures in relation to Social Care. This funding will be allocated directly to Local Authorities from the Scottish Government and will not pass through NHS Board baselines.

NHS Boards should ensure that 2018-19 budget settlements for Integration Authorities are in place in advance of the new financial year.

Alcohol and Drug Partnerships

In 2018 a refreshed alcohol framework will be in place which will continue to take on Scotland's often problematic relationship with alcohol misuse. This renewed focus on alcohol and drugs will be backed by additional investment of £20 million in treatment and support services and further detail will be provided on this before the start of the financial year. This funding is not included in Board baseline budgets and is in addition to the £53.8 million that was allocated to Board baselines in 2017-18. Our expectation is that following the budget we will, as last year, write outlining the allocation by Board area and associated Ministerial expectations.

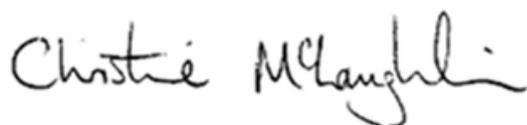
Capital Funding

We will continue to prioritise funding for existing commitments and Boards should assume an unchanged initial capital formula allocation.

Annual Plan

We will shortly set out the requirements for an annual plan, which will replace the previous Local Delivery Planning process and will link into the Regional and National Delivery Plans. This will set out a number of principles to be delivered in relation to finance and wider performance.

Yours sincerely



CHRISTINE MCLAUGHLIN
Director of Health Finance
Scottish Government

Annex

2018-19 Draft Budget Funding Allocations

	2017-18 Budget Bill	Recurring Allocation Adjustments	Total 2017-18 Allocation	Uplifts	Total 2018-19 Allocation	Distance from NRAC parity
	£m	£m	£m	£m	£m	%
Territorial Boards						
Ayrshire and Arran	683.6	-0.3	683.3	11.6	694.9	(0.8%)
Borders	197.7	-0.1	197.6	3.0	200.6	1.1%
Dumfries and Galloway	284.9	-0.1	284.8	4.3	289.1	2.8%
Fife	624.7	-0.2	624.5	12.1	636.6	(0.8%)
Forth Valley	496.7	-0.1	496.6	10.3	506.8	(0.8%)
Grampian	902.4	-0.2	902.1	18.5	920.6	(0.8%)
Greater Glasgow & Clyde	2,123.5	-0.9	2,122.6	31.8	2,154.5	1.8%
Highland	592.6	-0.2	592.4	12.0	604.3	(0.8%)
Lanarkshire	1,135.9	-0.4	1,135.5	20.7	1,156.1	(0.8%)
Lothian	1,356.0	-0.6	1,355.4	29.0	1,384.3	(0.8%)
Orkney	46.7	0.3	47.0	0.7	47.7	(0.4%)
Shetland	47.5	0.4	47.9	0.7	48.7	(0.4%)
Tayside	721.3	-0.2	721.1	13.7	734.8	(0.8%)
Western Isles	71.6	0.3	72.0	1.1	73.0	11.3%
Total	9,285.1	-2.3	9,282.8	169.4	9,452.0	
Special Boards						
National Waiting Times Centre Board	51.9	1.5	53.4	0.5	54.0	
Scottish Ambulance Service	229.3	0.0	229.3	8.6	237.9	
NHS National Services Scotland	324.7	3.5	328.2	0.0	328.2	
Healthcare Improvement Scotland	24.7	0.1	24.7	0.0	24.7	
The State Hospital	34.4	0.0	34.4	0.3	34.8	
NHS 24	65.2	0.4	65.6	0.7	66.3	
NHS Education for Scotland	420.0	0.0	420.0	0.0	420.0	
NHS Health Scotland	18.4	0.0	18.4	0.0	18.4	
Total	1,168.6	5.5	1,174.1	10.1	1,184.3	
TOTAL	10,453.7	3.2	10456.9	179.5	10,636.3	
Investment in Reform				175.0		
Total additional funding for frontline Boards				354.5		

