

PLANNING OUR FUTURE

CONSULTATION ON OUR BUDGET 2020/21

What are your priorities for HSCP services?

Budget Consultation 2020/21

Argyll and Bute Health & Social Care Partnership delivers a huge range of services to our communities, many of which are most used by very vulnerable people. Our vision is that people in Argyll and Bute will live longer, healthier, independent, happier lives and this underpins all that the HSCP does.

Our population is ageing, and this is happening faster than elsewhere in Scotland, so this gives us particular pressures of demands for Older People services. Obesity is also driving up demand for diabetes related services which now cost 9% of the whole NHS budget.

At the same time, the resources available to the HSCP are declining in real terms year and year. We cannot simply continue to provide the same services in the same ways. We have to find efficiencies, transform how we operate, and do less going forward. These are difficult choices, and there are no easy options left for savings. We would really value your views to help us make the best decisions that will affect all of our lives.

Thank you for taking the time to respond to this consultation.

Councillor Kieron Green

Chair, Integrated Joint Board

Context

The IJB requires to set a balanced budget for 2020/21 at its meeting on 25 March. Normally, the IJB would have an idea now of the funding to be provided by Argyll and Bute Council and NHS Highland. This year, because of the UK general election, the UK government budget has been delayed to 11 March 2020, and the Scottish Government has decided to set out its own budget in advance of that on 6 February 2020. This means that there is still considerable uncertainty about future levels of funding.

The Council is currently anticipating that its overall funding will be reduced by 2% and therefore in turn, it will reduce the funding given to the Argyll and Bute Health and Social Care Partnership by 1%. NHS Highland is expecting an increase of 2.5% in funding from the Scottish Government and intends to pass on the full increase on the nationally agreed NHSScotland Resource Allocation Committee formula (NRAC share) basis to the Argyll and Bute Health and Social Care Partnership (HSCP).

This expected level of funding does not cover the level of increased costs which need to be borne by the HSCP. The key increases in costs are as follows:

- Staff and supplier costs will increase on account of nationally agreed pay awards and the Scottish Living Wage
- The cost of new drugs is expected to outstrip funding made available for these
- Costs for GP out of hours services are increasing due to new contracts
- We are delivering additional localised services
- People have increasingly complex needs which increases the cost of some care packages
- Demand is growing for both Older People and Younger People services
- We have to contribute to new national IT systems

The pressures are particularly acute for the Social Work budget. The total current funding from the Council is £58.7m and in 2019/20 we expect to overspend by £1.3m. The funding for next financial year (net of repayments for previous years' overspends) from the Council is predicted to be £57.1m. This is £2.9m short of current funding levels. Taking into account resource transfer from NHS, on social work expenditure of £74.4m, we need to find new savings of £5.04m for social work.

The funding from NHS is also short of requirements by c £3.25m on total estimated expenditure of £213.6m. This increases the requirement for new savings to £8.3m.

We are not the only Health & Social Care Partnership experiencing funding pressures. 23 out of the 28 Integration Authorities expect to overspend in 2019/20, in total by £82.9m. This averages out at c 0.9% of the total budgeted expenditure. Our current forecast is for an overspend of £1.3m which is less than 0.5%.

The biggest driver of overspend is a failure to deliver previously agreed savings. This continues to be a challenge locally. Of the total savings which we needed to deliver in 2019/20 of £10.5m, we are predicting to deliver £6.9m this year – this leaves a further £3.6m to be carried forward to next year on top of new savings to be found. So

total savings required to be delivered next year are £11.9m – even more than for 2019/20.

Demographic pressures

We have an ageing population in Argyll and Bute. The numbers in Argyll and Bute affected by dementia are growing by c 3% p.a. This is directly affecting the cost of dementia services.

Diabetes is another pressure area – it costs the NHS c 9% of its budget currently. Over 4,800 people in Argyll & Bute have been diagnosed with Type 2 diabetes and the numbers are increasing by c 4% p.a.

Changing how we work

Our Vision: “People in Argyll & Bute will live longer, healthier, independent, happier lives.”

Our vision and its principles set out a clear direction for changing how we work to meet the needs of our communities:

- Reduce the number of avoidable emergency admissions to hospital and minimise the time that people are delayed in hospital.
- Promote health and well-being across all of our communities and age groups.
- Support people to live fulfilling lives in their own homes, for as long as possible.
- Support unpaid carers, to reduce the impact of their caring role on their own health and wellbeing.
- Implement a continuous quality improvement approach across all functions.
- Support staff to continuously improve the information, support and care they deliver.
- Efficiently and effectively manage all resources to deliver Best Value.

We have to make sure that our finances are used to support our priorities, whilst recognising the areas of most pressure from demographic factors, and the reduction in our overall level of resources to meet these increasing demands. This means that we simply cannot continue to deliver our services in the same way as we have previously, and changes will be required. Set out below is a summary of key changes which we expect you to see next year.

Future Shape of Services 2020/21

- A single Health and Social Care team will provide more services in your Community 24/7 (Adults and Children's)
- You will only need to contact one person for all Health and Social care in your community
- We will prioritise investment for Health Improvement and healthy lifestyle programmes, to keep you healthy.

- We will become used to using technology to support care at home, by allowing remote monitoring of your condition and enabling consultations with trained staff.
- Your local hospital will continue to co-ordinate and deliver emergency medical care, with fast access to Glasgow hospitals when necessary.
- GP and other 'front-line' services will continued to be provided locally. However we expect that, through mergers and federations, there will be fewer GP practices. This will provide a greater choice to patients – e.g. a male or female doctor and offer you a range of GPs and nurses with special interests and training.
- Most hospital treatments will not require a stay in hospital, with hospital beds being used only for those needing more continuous nursing. – Less hospital beds
- With more care delivered in the home, and with more support for carers (especially family and friends), nursing and care-home beds will be used for those who need a higher level of care

How to bridge the savings gap

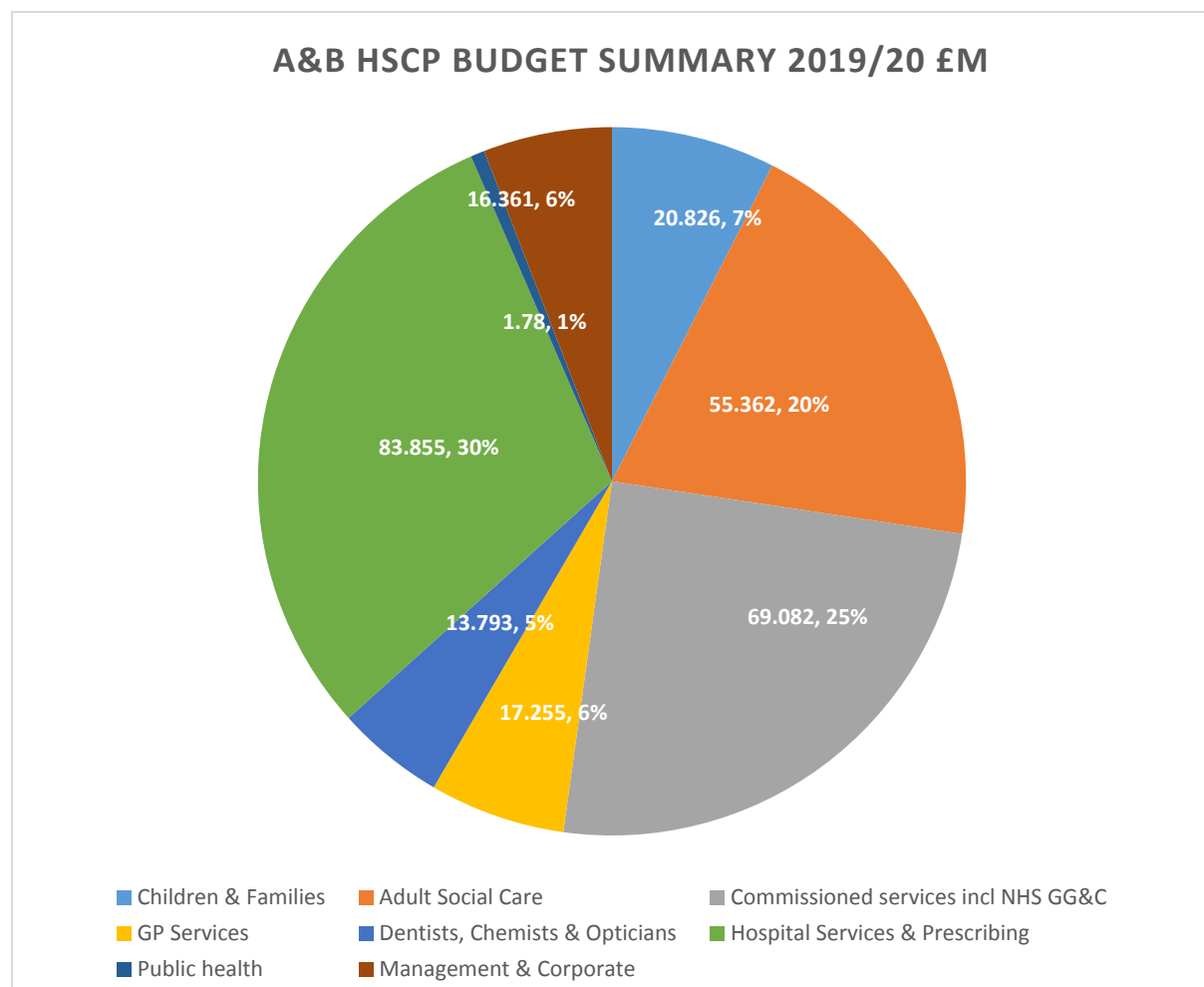
The Senior Leadership Team has carefully reviewed all budgets to identify any areas where efficiencies can be made without adversely affecting the quality of services being delivered and staffing levels. There has been an ongoing effort throughout 2019/20 to restrict non-essential expenditure through grip and control and to provide detailed scrutiny of all vacancies, filling those only where otherwise we would need to cover through overtime, bank or agency staffing or locums to maintain safe staffing levels (all of which would add to our cost base).

Social Work fees and charges are set by the Council as part of the February budget, and the IJB will consider a proposal for increasing these in line with inflation at its meeting on 29 January. Income levels can also change because of increases in volumes, and the HSCP plans to recognise and take account of all such increases in next financial year. Efforts will continue to be made to deliver the remaining £3.6m of existing savings not yet delivered. Plans are in progress to deliver these for next year.

In total, management and operational savings from underspent budget areas, and more efficient operational practices are expected to deliver new savings of just under **£4.2m** next financial year.

We have also identified **£1.6m** in savings that will potential affect services you experience and staff employed, and want to know your views on these. We need to identify another **£2.5m** savings and want your suggestions. We would like to know what matters most to you about HSCP services.

The diagram below shows a breakdown of how the current budget of £278m is spent:



- The biggest area of spend is on Hospital Services and Prescribing. This includes the cost for our rural general hospital in Oban (£15.95 million), and our community hospitals in Campbeltown, Dunoon, Lochgilphead, Mull and Iona, Islay, and Helensburgh. Prescriptions cost £18.78m.
- The second biggest area of spend is £65.2m on Acute services with NHS Greater Glasgow on Clyde. We are currently in dispute with NHS GG&C as their charge is increasing above national funding levels year on year despite our activity levels with them falling. We have offered them a fair settlement this year but they are claiming an additional £1.5m above our offer. We also commission a further £3.89m of services from other health boards.
- The third biggest area of spend is an Adult Social Care. This includes care at home packages for older people where the demand is increasing because of an ageing population, as well as residential care home placements, telecare, respite care and assessment by social workers. In total the budget for Older

People services is just under £30m. The other large area is for Learning Disability care packages including supported living, day services, and residential placements. Mental Health support and Physical disability are also included in this area of spend.

- Children & Families costs of £20.8m include fostering and adoption, hostels and children's' houses, residential placements, child protection, children with disabilities, maternity services and school nurses, and justice social work. We were the second lowest funded children & families service across Scotland in 2016. Benchmarking shows that this is a well-managed service historically and is already very lean.
- GP Services cost c £17.255m and the costs are largely set nationally with little control available to the HSCP to flex these. The same general principle applies to costs of £13.793m for dentists, chemists and opticians.
- Management & corporate costs of £16.4m include Lead Nurse, estates, depreciation, strategic planning & performance, HR, finance and other management services.

Section 1: The role of the Health & Social Care Partnership in Argyll and Bute

Q1	What for you is the most important role for the HSCP (Please tick one option only)	
	Deliver the services I use (If you choose this option, please tell us which services you use)	
	Support the most vulnerable people in our communities	
	Help us all to live longer, healthier, independent, happier lives	
	Support local people to help others in our communities	
	Other (please tell us what)	

Q2	Which of these general service categories do you use most (Please tick one option only)	
	Children & Families <ul style="list-style-type: none"> Fostering and adoption, looked after children and child protection, maternity and health visitor services, school nursing, criminal justice 	
	Adult Social Care <ul style="list-style-type: none"> Care at home support, residential care homes, disability support services, mental health support 	
	Glasgow & Clyde Hospitals and other services outside Argyll and Bute <ul style="list-style-type: none"> Acute services 	
	GP Services <ul style="list-style-type: none"> An increasing range of primary services are delivered through GP practices throughout our area 	
	Dentists, Chemists & Opticians <ul style="list-style-type: none"> Community and salaried dentists, pharmacies and opticians 	
	Argyll & Bute Hospital Services <ul style="list-style-type: none"> Community hospitals, district nursing, Occupational Therapy and other allied health professional services, extended community care teams 	
	Public health <ul style="list-style-type: none"> Immunisation and screening programmes and other Health improvement activities 	
	Management & Corporate <ul style="list-style-type: none"> Lead Nurse, Estates, Planning, IT, HR, Finance and other management services, Depreciation 	
	Other (please tell us what)	

Section 2: Balancing our Budget

We will deliver c £7m in savings this year. We will still have c £3.6m of savings which we haven't yet delivered and these need to be carried forward to next year. Our mid-range estimates indicate that we need to make additional savings next year of £8.3m.

Some areas of costs are not available to the HSCP to make savings from:

- GP, dentist and pharmacy contracts – which are set nationally
- PFI contract costs for the Mid Argyll Hospital

Some areas of costs are very challenging to make savings from:

- Contract for acute services with NHS Greater Glasgow & Clyde where we are already in dispute over the level of the increase in their charges

Q3	In which 3 categories would you most support reductions to funding? (Please label your top 3 options as 1, 2, 3)	
	Children Services – fostering & adoption, looked after children	
	Maternity & Health Visitor and School nursing services	
	Justice Social Work services	
	Care at Home and other community support packages	
	Residential care home placements	
	Disability support packages	
	Community hospitals	
	Services offered from Oban Lorn & Isles Rural General hospital	
	Acute services from NHS Greater Glasgow & Clyde	
	GP practices	
	Dentists, pharmacists and opticians	
	Public health screening & immunisation and other health improvement programmes	
	Management & corporate	
	Other (please tell us what)	

Q4	Please indicate your top 3 priorities from these service areas (Please label your top 3 options as 1, 2, 3)	
	Children Services – fostering & adoption, looked after children	
	Maternity & Health Visitor and School nursing services	
	Justice Social Work services	
	Care at Home and other community support packages	
	Residential care home placements	
	Disability support packages	
	Community hospitals	

Services offered from Oban Lorn & Isles Rural General hospital	
Acute services from NHS Greater Glasgow & Clyde	
GP practices	
Dentists, pharmacists and opticians	
Public health screening & immunisation and other health improvement programmes	
Management & Corporate	
Other (please tell us what)	

Q5: All of our funding comes either from NHS Highland or Argyll and Bute Council. In turn, the bulk of their funding comes from the Scottish Government and we do not know what our allocation is for 2020/21. To prepare for setting our budget in March 2020, we have already identified a number of options for making savings and these are set out in table below. We need to identify more to bridge our estimated funding gap, and we are working to do that.

If you have comments on the savings options that follow, please let us know

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Argyll and Bute Health & Social Care Partnership
2020-21 Budget Preparation - Proposed Policy Savings for consultation


Ref	Service Area	Savings overview	Saving 2020-21 estimate £000s
2021-1	Adult Services	Mental Health redesign of dementia services (excludes commissioned services)	200
2021-2		Standardise procurement of food across all sites and expansion in conjunction with Council for early years	69
2021-3		AHP - carry out workforce planning and establishment setting to find efficiencies in posts and realign services provided to match	140
2021-4		Admin & clerical general review. Includes increased use of customer contact centre facilities to drive forward single point of access	145
2021-5		Bring staffing within ECCT teams and Mull Progressive Care Centre into line with best practice elsewhere	85
2021-6		Development of new community hub model - savings not yet quantified	?
2021-7		Review of provisioning of day services and remodel considering options of greater third sector involvement aiming for 10% reduction in cost	200
		Total for Adult Services	839
2021-8	Children & Families	Review maternity arrangements for out of hours and bring within contracted hours	100
2021-9		Review health visitor and school nurse staffing	100
2021-10		Transformation of Social Work admin, increasing use of technology and integration with NHS admin services	93
2021-11		SLA with NHS GG&C for CAMHS service (Fusions)	23
2021-12		Staffing review of social worker and para professional posts to include workload analysis and risk assessment - possible saving of 5 posts	246
		Total for Children & Families	562
2021-13	Commissioned Services	Review of use of services delivered under SLA with NHS GG&C and realign to achieve better value and increased alignment with Strategic plan objectives	100
		Total for Commissioned Services	100
2021-14	Public Health	Removal of health & wellbeing small grant fund	50
		Total for Public Health	50
2021-15	Chief Officer	Investment fund savings - reduce spend on Care & repair by £60k originally funded as short term	60
		Total for Chief Officer	60
2021-16	Clinical Director	Rationalisation of medical services for Dunoon	50
		Total for Clinical Director	50
	Total		1661

We need to find more savings options to bridge our estimated funding gap. We would really appreciate your ideas.

Q6	What suggestions do you have for how the HSCP could make savings or increase income?

Q7	Do you have any additional comments on any matters raised in this consultation?



Thank you for taking time to give us your views.

Please return your completed form to Joanna MacDonald, Chief Officer A&B HSCP, Argyll and Bute Council, Kilmory, Lochgilphead, Argyll, PA31 8RT or contact us on:
nhs.abhscp@nhs.net / Tel: 01436-6555040

Closing date for questionnaires: 28 February 2020