

Integration Joint Board

Agenda item:

Date of Meeting: 5 August 2020

Title of Report: Covid-19 response and financial implications

Presented by: Judy Orr, Head of Finance and Transformation

The Integration Joint Board is asked to:

- Note the details provided in relation to Covid-19 response and associated mobilisation plan costing
- Acknowledge the uncertainties in the cost elements submitted
- Note that the Scottish Government has in principle approved all mobilisation plans, but that approval for individual cost lines has not yet been received

1. EXECUTIVE SUMMARY

- 1.1 This report provides an overview of the HSCP's Covid19 mobilisation readiness and its future planning for living and operating with Covid-19. It also provides a snapshot of the financial estimates of the costs of dealing with the Covid-19 response. These cost estimates are updated on a weekly basis, and are still subject to considerable uncertainties.
- 1.2 The Scottish Government has in principle approved all mobilisation plans. However all expenditure items over £500k require formal approval and this is still awaited for all lines submitted. In the interim, the Scottish Government has issued a first tranche of funding on 12 May 2020 of £50m nationally on an NRAC/GAE allocation basis and A&B HSCP received £903k as its share. This is "particularly to support immediate challenges in the social care sector". In addition funding for Scottish Living Wage uplifts for social care providers has been agreed and A&B HSCP is to receive £189k as its share. All of this funding is being routed via NHS Highland.
- 1.3 A small amount of expenditure was incurred in 2019/20 of £41,000 which is matched by a specific funding allocation. In addition the additional FHS (Family Health Services) Prescribing cost accrual of £324,000 (reflecting people ordering prescriptions earlier than usual in March because of the impending lockdown) was funded through NHS Highland in 2019/20, and then offset in 2020/21 where a reduction in costs is expected in the first quarter. The regular returns are now only for 2020/21 expenditure as 2019/20 has been finalised. This report is based on the draft return as at 24 July. It should be noted that new guidance and an updated template was received on 24 July advising that the quarter 1 return is due on 14 August.

Scottish Government is now expected to review Quarter 1 claims in detail by mid September to allow funding allocations to be confirmed by end of September.

2. INTRODUCTION

- 2.1 This report provides information on the Health and Social Care Partnership's response to Covid-19 pandemic and associated estimated costs.

3. DETAIL OF REPORT

3.1 Summary of Covid-19 status update and look forward

- 3.1.1 The latest Covid-19 performance report dated 22 July 2020 shows that we have had a total of 164 cases and 64 deaths in our area up to that date. On that day we had 2 suspected cases in our hospitals at midnight and there were 2 care homes none closed to new admissions due to confirmed or suspected cases. It should be noted that this can change daily. In total we have c 320 in our care homes, and over 1,100 receiving home care. In addition there are now over 3,100 people who are in the shielded category, and shielding has been extended to end of July. Shielding and self or household isolation and child care issues all impact available staffing.
- 3.1.2 Our 8 Covid Assessment Centres assessed 6 people in the previous week with 0 patients transferred to hospital and a further 22 health & social care staff tested. A&E attendances are now largely back at previous levels with 511 in that week, of which 18 had suspected Covid.
- 3.1.3 Re-mobilisation plans are progressing reflecting the social distancing requirements with the targets of reaching 80% of normal activity levels by end of July and 100% by end of August.
- 3.1.4 Unless there is a large second surge following relaxation of lockdown requirements, we are now past the peak of the pandemic. No additional beds have been required to date. This is a significant reduction from early estimates as a result of the effective social distancing now in place. However as these measures are relaxed, the situation may change. Over the coming weeks we will model our actual activity against projections to provide some assurance around the shape and length of the projected demand curve.
- 3.1.5 We expect our Community Assessment Centres (CACs) to have a role for some considerable time, and they are then likely to evolve into community treatment rooms as envisaged through the Primary Care Improvement Plan. Although the Mobile Testing Units are now present in all our main towns on a weekly schedule, it is envisaged that the CACs will continue to have a significant role in testing going forward. There is now a weekly regimen for testing staff and residents in care homes and this is likely to be extended to care at home workers. Where there is a positive case identified in a care home, then additional testing needs to be carried out through the CAC as these go to a different lab which has fewer false positive results.

There are some 320 people in care homes in Argyll and Bute - numbers

3.1.6 have been falling. We are now providing financial sustainability support to care homes for vacant places (as agreed nationally) and have so far agreed payments to 8 care homes totalling just over £173k. Of this £50k was paid out as an advance in May under local arrangements before the national arrangements were fully agreed. Financial support is also being provided for additional staffing costs, and other direct costs, but claims are still to be processed for these. To end of June, we have received total financial support claims to date of £307k. Only around a quarter (by number) of all expected claims have been received.

3.1.7 Social care providers have been provided with personal protective equipment (PPE) free of charge from our community PPE hubs since the start of May. Over the 12 weeks since then, nearly 1.9m items of PPE have been provided, mainly fluid resistant masks, disposable aprons and gloves. Eye protection and hand sanitiser are also available from the hubs. They provide care homes, registered social care providers, unpaid carers and personal assistants employed through self-directed support. These hubs are expected to be in operation at least until October.

3.1.8 Hospital PPE was also provided free of charge on a push basis from the national distribution centre for a period of time, but this has reverted to a normal basis since mid-May. There have been some direct deliveries to GP practices, dental practices and optometrists which are expected to continue on a 4 weekly basis till end August / early September. These are not confirmed as not being chargeable. If they run out in between, further supplies are obtainable through Health Boards.

3.1.9 It is clear that the length of time we will have to deal with the implications of this pandemic is extending into the next 12 months. This disease burden is part of the new activity “norm” and we will have to focus on simultaneously managing Covid19 whilst resuming routine, comprehensive health and social care. This has financial implications and regular cost returns are submitted of the levels of estimated costs as explained below.

3.2 Covid 19 Mobilisation costing

3.2.1 Since the start of April, the HSCP has been required to contribute to a local mobilisation plan cost return on a regular basis, submitted to Scottish Government through NHS Highland. The next return is due on 27 July, and the draft version as at 17 July has been referenced for this report.

3.2.2 The format of the return has changed regularly in this period. The initial return of 2 April provided certain parameters for expected staff absence rates rising from 15% in March to a peak of 25% in May and June and reducing gradually to 0% in March 2021. Similarly there was a predetermined phasing for costs associated with additional beds from a peak of 100% in April to June down to 0% in March 2021. The most recent return allows for these to be varied to reflect actual costs as these are well below the expected levels.

3.2.3 The return includes 3 tabs relevant to the HSCP. There is an approval tracker which lists our local approvals for items above £30k (approved at Silver Command meetings) and this is amalgamated into the Health Board’s

overall approval tracker which will also record approvals from Scottish Government for items over £500k – none received as yet.

- 3.2.4 The next tab is a bed model and this shows that we are now expecting zero net additional beds. We initially designated 61 as Covid beds for the first quarter reducing down to 0 by March 2021 but this has been removed as we were not staffing these differently. Acute beds provided by NHS GG&C are included in their return and will not be recharged to us. Covid costs are being recorded and refunded on a Board of Treatment basis.
- 3.2.5 The final tab shows the costs expected to be incurred across all cost lines. The calculations for these have followed the assumptions provided to HSCPs from the Chief Financial Officer Network and the latest guidance. These cost estimates are now informed by actual costs incurred in April to end of June.
- 3.2.6 A small amount of expenditure was incurred in 2019/20 of £41,000 which is matched by a specific funding allocation. In addition the additional FHS Prescribing cost accrual of £324,000 (reflecting people ordering prescriptions earlier than usual in March because of the impending lockdown) was funded through NHS Highland directly in 2019/20, and then clawed back in 2020/21 where there is an offsetting reduction in costs expected.
- 3.2.7 Actual costs are being carefully tracked. Social care providers have been asked to invoice additional Covid related costs separately and detailed guidance has been given to them on what type of additional costs (such as PPE, equipment and additional staffing) is expected. Care Homes are receiving funding of vacant beds due to under-occupancy at 80% of the agreed national care home contract rates. Additional support for extended sick pay for social care providers has been agreed nationally, but no claims have yet been received for this, and claims for other additional costs are still being processed – none yet recorded in actuals. Direct costs for supplies and equipment are being charged to Covid cost centres. Where additional staff are being employed, and for additional hours over normal working, this is also being tracked through codes on time sheets and specific Covid approvals through workforce monitoring. There is some time lag before these costs are shown in the financial ledgers and the position on actual costs is only now starting to be seen, and variances investigated.
- 3.2.8 The Scottish Government has in principle approved all mobilisation plans. Two meetings have been held with Scottish Government officials on our plan submissions but no individual lines have been formally approved. Nationally the Scottish Government has funding available of £600m plus £20m for hospices and it is understood that the submissions to date far exceed the funding available. Of course, actual costs may prove to be lower. Regionally, there is now some peer review and benchmarking but this is unlikely to get into full flow till after the end of quarter 1 submissions.
- 3.2.9 Separate funding has been received through NHS Highland for the national agreement to implement the Scottish Living Wage which came in 3 weeks earlier than we would normally have implemented it, and at a slightly higher rate. We have received £189k which covers our extra costs, and these are

now removed from the mobilisation cost tracker.

3.2.10 The only other funding distributed so far is a share of £50m for social care costs to assist with cash flow – our share is £903k on a national formula basis. In addition, we have been advised there will be funding of £25k for Chief Social Work Officer for 6 months commencing 29 June 2020 to support CSWO capacity to support oversight of care homes. There has been some funding direct to GP practices and pharmacies predominantly for opening on the bank holidays. Allocations for Health costs covering months 1 and 2 are expected to be announced shortly, but could well be on a formula basis just as an interim measure. The main allocations for quarter 1 will be based on a review of the next return due on 14 August, and these funding allocations are expected by end of September.

3.2.11 Our estimated costs on the plan as at 24 July 2020 total £14.016m prior to receipt of any funding. This has decreased by £3.7m from the £17.7m previously reported as of 17 June, but there have been quite a number of changes within this overall sum. The current submission covers the following key areas:

Cost area	£000s	comment
Additional hospital beds	87	Bed purchases only (reduced due to credits in June)
Reduction in delayed discharges (17)	277	Now tracked actual costs, 10 for care at home packages, 7 care home placements
PPE	930	Increased reflecting long term need for this and purchases of contingency stocks in June
Deep cleans	45	Social care only – none in first qtr
Estates & facilities	518	Includes hospital deep cleans. Additional costs of remobilisation anticipated
Additional staff overtime	375	Reduced to remove 25% staff absence expectations for social work staff and now in line with first quarter actuals
Additional temporary staff	1,350	Substantially decreased reflecting actuals to date
Scottish Living Wage national implementation	0	Funded separately – now removed
Additional costs for externally provided services	2,420	All estimated – not yet invoiced – mainly Social care providers
Care homes income support for vacancies	958	Added based on national guidance. 8 claims to date
Mental Health services	157	Counselling services
GP practices	824	Previously based on May costs, none in June
Opticians	697	New line
Additional prescribing (1%)	281	Updated for 1 st qtr actuals
Community hubs (CACs)	368	Activity levels lower than

and screening / testing		anticipated and costs dropped in June
Staff accomm, travel, IT & telephony costs	294	Supporting home working
Revenue equipment	256	Now excludes beds
Loss of income	438	Reduced charges to patients of other boards reflecting lack of activity
CSWO, infection control, winter planning	350	New lines added
Underachievement of savings	4,593	Reduced in line with latest forecasts
Offsetting savings - Health	(1,200)	Now recognised – travel etc
Total	14,016	

3.2.12 The key changes are to recognise offsetting savings of £1.2m, reduction in under achievement of savings of £0.5m, reduction in additional temporary staff provisions (mainly for social care) of £1.02m, and reduction in additional staff overtime of £0.96m. These last two lines were previously driven by national assumptions and these assumptions have been removed and reduced in line with first quarter actuals.

4. RELEVANT DATA AND INDICATORS

4.1 Information is derived from the financial systems of Argyll and Bute Council and NHS Highland.

5. CONTRIBUTION TO STRATEGIC PRIORITIES

5.1 This work supports/underpins the HSCPs strategic and operational response to this emergency pandemic.

6. GOVERNANCE IMPLICATIONS

6.1 Financial Impact – The additional costs for responding to Covid-19 are estimated and set out in Appendix 1. There are considerable uncertainties surrounding these estimates and in the funding that will be made available from Scottish Government.

6.2 Staff Governance – The workforce deserves significant credit for their flexibility and proactive response.

6.3 Clinical Governance - Clinical governance response has been fundamental to the shaping and management of the public health projections and demand modelling and our response to ensure patient, client and staff safety.

7. PROFESSIONAL ADVISORY

7.1 Input from professionals across the stakeholders remain instrumental in the response to the Covid19 pandemic.

8. EQUALITY AND DIVERSITY IMPLICATIONS

8.1 These will need to be reviewed and considered as we progress through this pandemic cycle and emergency operating arrangements

9. GENERAL DATA PROTECTION PRINCIPLES COMPLIANCE

9.1 Compliance with GDPR remains critical and is being considered within the various pieces of work supporting the sharing of information and data to protect health and wellbeing of staff and the public and patients.

10. RISK ASSESSMENT

10.1 There is considerable uncertainty around the funding that will be made available from the Scottish Government for Covid-19 mobilisation plans. Approval has been received in principle but we do not yet have approval for any specific expenditure lines for 2020/21. Funding for the 2019/20 costs of £41,000 has been confirmed.

11. PUBLIC AND USER INVOLVEMENT AND ENGAGEMENT

11.1 None directly from this report.

12. CONCLUSIONS

12.1 This report provides an overview of the HSCP response to address the Covid19 pandemic. This has been achieved through fantastic commitment and support of our staff and all our partners and stakeholders and the wider Argyll and Bute community as well as the SAS and NHS GG&C.

12.2 Our scale of mobilisation has flexed and adapted over the last 3 months and we are now passed the peak. We are however, now moving towards a new phase of this pandemic "Covid19 normal" which is certainly going to extend into the next 12 months and probably longer. This requires the HSCP and partners to cement new ways of working and operating in our new covid19 world. Work on planning for re-mobilisation is now well underway.

12.3 The appendix provides a snapshot of the costing for the Covid-19 mobilisation as at 24 July 2020 prior to the submission of the first quarter return due on 14 August. This will continue to be updated regularly as assumptions are refined and actual costs are incurred.

13. DIRECTIONS

Directions required to Council, NHS Board or both.	Directions to:	tick
	No Directions required	√
	Argyll & Bute Council	
	NHS Highland Health Board	
	Argyll & Bute Council and NHS Highland Health Board	

REPORT AUTHOR AND CONTACT

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APPENDICES:

Appendix 1 – Covid-19 local mobilisation tracker weekly return as at 24 July 2020 – early draft due for submission on 14 August 2020