

Integration Joint Board

Agenda item: 9c

Date of Meeting: 16 June 2021

Title of Report: Covid-19 costs 2020-21

Presented by: Judy Orr, Head of Finance and Transformation

The Integration Joint Board is asked to:

- Note the details provided in relation to costs of the Covid-19 response in 2020-21
- Note that the Scottish Government has in principle approved all mobilisation plans, but that approval for individual cost lines has not yet been received
- Note the details of the excess funding received which must be carried forward as an earmarked reserve at the year-end to be used against Covid costs in 2021-22

1. EXECUTIVE SUMMARY

- 1.1 This report provides an overview of the HSCP's Covid-19 costs incurred in 2020-21. This includes all year-end accruals.
- 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. All funding is being routed via NHS Highland and announcements to date total £15.769m. This now includes £2.65m for adult social care winter plan tranche 2 (£650k), community living change fund (£300k) and further integration authority support (£1.7m) announced on 5 February for which fuller details are awaited and which are wholly additional to the Covid-19 cost claims. This also includes £613k for payments made by Argyll and Bute Council for shielding support and £500 thank you's as agent of Scottish Government. A small amount (£57.5k) re Chief Social Work Officer funding has still to be distributed. One other allocation of £189k for Scottish Living Wage is excluded from our Covid-19 cost returns and so is not reflected in the analysis below.
- 1.3 Looking solely at the allocations from our regular Covid-19 returns, based on the final return as at 23 April 2021, we have claimed £11.548m and this has been paid over in full to NHS Highland. We have in fact received slight more funding and the excess of £146k will be carried forward as an earmarked reserve.

- 1.3 In addition, there are further allocations of £2.65m to be carried forward as indicated in the section above.
- 1.4 It should be noted that there is no expectation of any funding for undelivered savings in future years as a result of Covid-19 activity.

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 Re-mobilisation plans have slowed as a result of higher levels of Covid-19 and it is now expected that it may take till quarter 2 or 3 next year before we see a return to fully normal pre-Covid-19 levels of activity.
- 3.1.2 No additional Covid-19 beds have been required. This is a significant reduction from early estimates as a result of the effective social distancing now in place. So far, few people have required hospitalisation and there have been few new deaths in our area.
- 3.1.3 We expect our Community Assessment Centres (CACs) to have a role for some considerable time, and we have recruited additional staff to man these. The Mobile Testing Units have reduced with fire stations now offering home testing kits in most of our towns, and a new asymptomatic test site opened in late March in Helensburgh along with pop up testing capability. There is now a weekly regimen of lateral flow tests for testing staff and residents in care homes and care at home workers, day centres and personal assistants. It is also offered to all staff in our hospitals and front facing staff in GP practices. Testing is now also being offered to teachers in schools. Where there is a positive case identified, then additional PCR testing needs to be carried out.
- 3.1.4 We are continuing to provide financial sustainability support to care homes for vacant places (as agreed nationally) and additional staffing and other extra and have so far agreed payments totalling £1.090m. Further claims totalling £968k have been accrued and are being verified.
- 3.1.5 Social care providers have been provided with personal protective equipment (PPE) free of charge from our community PPE hubs since the start of May. These hubs are now expected to be in operation at least until end of June, and an updated Memorandum of Understanding governing this has recently been received. After June there will be monthly reviews.
- 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 chargeable basis since mid-May with the exception of FFP3 masks which are being issued on a push basis due to low supplies, and supplies to support vaccination programmes. There are continuing direct deliveries to GP practices, dental practices and optometrists which are not chargeable. In addition, there are push deliveries of PPE to support vaccination clinics. If

they run out in between, further supplies are obtainable through Health Boards. GP practices and dental practices have recently transitioned to direct delivery with online ordering for PPE.

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 year-end return was submitted to NHS Highland on 23 April and has been referenced for this report.
- 3.2.2 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.
- 3.2.3 Actual costs are being carefully tracked. Social care providers have been asked to invoice additional Covid-19 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 received funding for vacant beds due to under-occupancy at 80% of the agreed national care home contract rates to end of August. These payments were tapered over a three-month transition period with 75% of claims for voids caused by Covid-19 paid for the month of September, 50% for the month of October and 25% for the month of November. Further support beyond December is on a different basis again with under occupancy funding required to be used to cover all other additional costs. Additional support for extended sick pay for social care providers has also been extended. Claims for other additional costs from end of September are restricted to those for infection prevention control, PPE and additional staffing costs.
- 3.2.4 Direct costs for supplies and equipment were charged to Covid-19 cost centres. Where additional staff were employed in-house, and for additional hours over normal working, this was also tracked through codes on time sheets and specific Covid-19 approvals through workforce monitoring.
- 3.2.5 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. There was also direct funding of £409k for additional GP practices and pharmacies predominantly for opening on the bank holidays which was not included in the tracker until this final return.
- 3.2.6 A summary of all the funding announced and distributed is attached at Appendix 1. All funding is being routed via NHS Highland and announcements to date total £15.170m. This includes an additional £2.65m not included without our covid-19 cost claim. A small amount (£57.5k) re Chief Social Work Officer funding has still to be distributed.

3.2.7 Our estimated costs on the final year end claim total £11.548m prior to receipt of any funding. This has increased by £265k from the £11.283m previously reported as of 15 February to Scottish Government due to the inclusion of the GP costs of £409k funded separately. So in effect it has reduced from the last claim by £144k. The current submission covers the following key areas:

Cost area	£000s	comment
Additional hospital beds	139	Bed purchases
Reduction in delayed discharges (17)	285	Now tracked actual costs for 17 clients, 10 for care at home packages, 7 care home placements.
PPE	264	Increased by £36k - community PPE hubs in place till end of year providing f.o.c. to social care and more being pushed f.o.c. to Health.
Estates & facilities	701	Includes hospital deep cleans. Additional costs of remobilisation anticipated.
Additional staff overtime	573	Increased by £50k
Additional temporary staff	1,363	Decreased by £133k as Feb costs lower
Additional costs for externally provided services	193	Increased by £90k
Social care sustainability payments	2,058	Increased by £528k due to new claims received late
Mental Health services	39	Counselling services
GP practices + Opticians	538	Increased by £456k – now including £409k previously funded separately
Additional prescribing (1%)	421	unchanged
Community hubs (CACs) and screening / testing	559	Decreased by £154k re CACs in February & March
Staff accomm, travel, IT & telephony costs	267	Supporting home working
Revenue equipment	220	Decreased by £23k
Loss of income	715	Reduced charges to patients of other boards and social work client contributions reflecting lack of activity - decreased by £107k
CSWO, infection control, Public health capacity, vaccination program	913	Increased by £43k – additional vaccination costs expected March
Winter planning	83	Decreased by £86k
Managing backlog of planned care and unmet demand	2	Decreased by £11k
Social care other costs	32	Increase of £32k – year end costs

Underachievement of savings	2,589	Decreased by £139k
Offsetting savings – Soc Work	(405)	Increased by £325k Offsets from reduced care home placements, and children’s contact & welfare placements
Total	11,548	

3.2.8 The key changes are in claim for additional temporary staff (decreased by £133k); community hubs decrease of £154k; loss of income decrease of £107k; offset by sustainability for social care providers increased by £528k and GP costs increased by £456k (previously largely excluded from this claim).

3.2.9 Overall we are slightly overfunded at the year-end by £146k, and this will require to be earmarked to be carried forward to meet next year’s costs. In addition we have £2.65m of adult social care winter plan tranche 2 (£650k), community living change fund (£300k) and further integration authority support funding (£1.7m) to carry forward to next year.

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 funding and costs for responding to Covid-19 are estimated and set out in the appendices. 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 Covid-19 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 still some uncertainty around the final funding that will be made available from the Scottish Government for Covid-19 mobilisation plans. However funding has been received in full based on the return submitted on 15 January. We expect there will be a small degree of over funding and this will be required to be carried forward as an earmarked reserve towards next year's Covid-19 costs. 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 Covid-19 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 The appendix provides a summary of the costing for the Covid-19 mobilisation as at the 2020-21 year end. We have been fully funded for all the costs incurred and £146k of excess funding will be carried forward to the new year in addition to £2.65m other funding for new year costs.

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

Judy Orr, Head of Finance & Transformation Judy.orr@argyll-bute.gov.uk

APPENDICES:

Appendix 1 – Covid-19 funding summary as at 31 March 2021

Appendix 2 – Covid-19 local mobilisation return as at 31 March 2021