Scottish Government Draft Budget 2015-16
BMA Scotland

Introduction
The BMA welcomes the opportunity to provide the committee with written evidence on the health spending plans set out in the 2015/16 draft Scottish budget.

The BMA supports the decision of the Scottish Government to protect NHS funding and indeed, welcomes the additional funding allocated to the NHS budget this year. However in reality, this reflects a 0.2% real terms increase in the NHS budget for 2015/16 and with the rising costs associated with health inflation i.e. new technologies, medicines etc, this continues to place NHS services under increasing financial pressure. The evidence set out in our submission demonstrates that a lot more than financial investment is required to make the NHS sustainable in the long term:

- A commitment to clinically focused decision making;
- Ensuring that NHS services are staffed appropriately;
- A political willingness to support an honest, public debate about what needs to change for the future sustainability of the NHS.

We have set out our key themes to reflect the areas of interest of the Committee, and further areas of particular concern to the BMA as follows:

1. Targets
2. Pressures
3. Change planning
4. Recruitment and retention
5. Capital investment
6. Pay policy
7. Distinction awards

Areas of common interest:
1. Are targets for health, as set out in the National Performance Framework (NPF), appropriate and are they being progressed?

The NPF includes a single high-level, public health target that requires the coordinated approach of a range of government and public sector bodies. It is difficult to measure in the short to medium term. Most managers and staff working in the NHS are more familiar with HEAT targets and the associated outcomes, strategic objectives, indicators etc. In a number of important areas (e.g. waiting times) the focus on these targets has delivered real benefit for patients, however all too often there have been negative unintended consequences and increasingly the culture of performance management has led to an imbalance between management and clinical judgement, a diversion of resources in order to achieve targets at the expense of other greater areas of patient benefit and need. Through this, the target culture has contributed to an increasing reality of disempowerment and a reducing sense of professional
recognition amongst clinical decision makers; contributing in turn to less attractive jobs and the recruitment and retention difficulties that we now see emerging across Scotland.

2. How are we mitigating pressures on health spending?

The NHS is relying on placing increasing demands on staff to respond to the rising demand and rising pressures on the NHS – to a point that is fast becoming unsustainable.

The Nuffield Trust has argued that the health service budget is now becoming insufficient to deliver a consistently quality service for a growing and aging population and increasing demands upon the system making it very hard, if not impossible, to continue to deliver the same quality of service using the same model of delivery, without significant additional resource. The BMA has therefore called for a public debate on health service funding focusing on how to reconcile increasing demand and health sector inflation with universal and comprehensive care, and continuing spending constraints.

The consequence of the financial pressures is that doctors are being asked to work increasingly longer hours and more intensely, but without any recognition or compensatory reward, on top of continuing real terms pay cuts. We warned last year that this situation was not sustainable and we are now starting to see real problems of recruitment and retention affecting the service. For example, more than one NHS board is reporting consultant vacancy rates of over 20 per cent.

In August, a Scottish Government paper to Chief Executives (which has been widely reported on in the media) emphasised the need for decisive action to address the immediate challenges facing the NHS in Scotland. The BMA is reassured that the Government and NHS Boards are discussing this important issue. The BMA believes that there is a role for doctors and other health professionals to help shape the debate around how to ensure the future sustainability of the NHS and that such involvement will help to secure the required political confidence and determination to make difficult and perhaps unpopular decisions.

As well as shaping the NHS to respond to rising demand, the BMA believes that this must be matched with efforts to manage public expectations and to mobilise the public to self manage and play their part in securing best value. People should be supported to take personal responsibility for their health and their use of NHS services.

3. How are we planning for change?

It is clear that there is consensus around the Scottish Government’s 2020 vision for health and social care amongst politicians and health professionals. However there is no clear, joined up strategic plan that sets out how this will be achieved. Various strategies and policies such as the Quality Strategy and Health and Social Care Integration are important contributions but there does
not yet appear to be a clear plan that brings all of these initiatives together to deliver the over-arching vision.

**Health and social care integration**

The integration agenda is ambitious and requires careful and robust planning to ensure long term sustainability. An ageing population combined with a difficult public spending environment clearly poses a very significant challenge. Without adequate planning and investment across all sectors, Scottish Government aspirations to shift the balance of care and integrate adult health and social care may be ultimately unachievable.

At present, a significant amount of effort is focusing on processes and structures of the new integration authorities, which although a necessary component, risks distracting focus from the real goal and is disenfranchising the healthcare providers upon whom success will ultimately depend. Doctors, in particular GPs, and other members of the healthcare team, must be given a prominent voice in the discussions and decisions which are being made about planning service provision.

**Other Issues:**

**4. Recruitment and retention**

Despite the claims of Scottish Government that they have increased numbers of GPs and consultants working in the NHS, our members continue to tell us of the growing problems of recruitment and retention of staff in hospitals and GP practices across the country. Consultant vacancies in Scotland are rising. Official figures published in August reported that as at the end of June 2014, 6.9% of posts were vacant, compared to 4.5% at the end of December 2013. In contrast in May, the Chief Executive of NHS Dumfries and Galloway reported its consultant vacancies were at their highest level for more than a decade, reaching 22%. In June, A&E consultants in NHS Grampian publicly raised concerns that, due to staff shortages, they would be unable to continue to provide safe care for patients, and NHS Fife confirmed that close to 25% of the 170 acute division consultant posts had not been permanently filled due to difficulties in recruitment.

Meanwhile in General Practice, doctors report problems in recruiting new partners to practices and out of hours services are struggling to fill gaps and are, on a weekly basis, at risk of falling over.

**5. Capital spending**

Whilst the profile for public expenditure reflects the needs of the hospital building and renovation programme, the movement of care from acute to non-acute settings requires infrastructure investment to provide long term savings allied to better provision. A recent BMA survey of (441) GP practices in Scotland found that four out of ten practices believed that their current practices were not adequate to deliver services to patients, with six out of ten saying that their facilities were too small to deliver extra or additional services. More than half (53%) of practices reported that they had not had any
investment or refurbishment of their premises in the last 10 years. The capital budget is being squeezed and new ways of getting funding for GP premises are now urgently required in order to build the capacity to enable general practice to help manage the rising demand for services outside of hospital, to continue to stem the tide of increasing demand for secondary care, and to keep care closer to patients’ homes.

The BMA has called on NHS boards to take stock of the state of GP premises in their areas and determine a programme of investment that enables GPs to provide 21st Century healthcare in 21st Century buildings in order to carry out their role in ensuring sustainability of health and care services in Scotland.

6. Public Sector Pay Policy

The commitment to honour the two year public sector pay policy is welcome, particularly in contrast to the pay policy being pursued south of the Border. However it should be noted that, given the actual rates of inflation, the existence of a 1 percent pay cap for individuals earning above £21,000 will lead to a further depression of real earnings for all those working in the health sector at a time when recruitment and retention is becoming an increasing problem, and a risk to patient safety.

For GPs, it is essential that consideration is given to the rising expenses associated with providing NHS general practice and this should be allocated over and above any pay award.

7. Distinction Awards

The ongoing decision to freeze the value of distinction awards, nor to create new awards is having an impact on recruiting the best medical academics to work in Scotland and through this, is tarnishing and undermining Scotland’s position as an international leader in healthcare quality, and as a pioneer in pharmaceutical technology and intellectual advances.

The distinction award scheme has a fundamental role in supporting and driving Scotland’s medical research base. Scotland has several outstanding universities with particular strengths in biomedical research. Doctors who perform at the highest levels both nationally and internationally drive a knowledge based economy which is becoming increasingly important in Scotland with the changes to the financial and economic landscape. Scottish medicine has some of the leading doctors in the world, both homegrown and from abroad, and in terms of the quality and extent of our research output, the UK is second only to the USA. This world-class research also benefits our population and is translated into improved patient survival, biomedical discoveries and prevention strategies. Scottish medical academic research also benefits the wider economy and contributes greatly to Scotland’s global competitiveness. Clinical academics, trained in medicine, research and teaching, are essential components of this success story, but there is clear evidence that this area of medicine is facing a significant shortfall in recruitment and retention as a direct result of the freeze on distinction awards.