FINANCE AND CONSTITUTION COMMITTEE

HEALTH AND CARE (STAFFING) (SCOTLAND) BILL FINANCIAL MEMORANDUM

SUBMISSION FROM ALEX McMAHON ON BEHALF OF SCOTTISH EXECUTIVE NURSE DIRECTORS GROUP

Consultation

1. Did you take part in any consultation exercise preceding the Bill and, if so, did you comment on the financial assumptions made?

Yes, took part but did not make specific comment on the financial assumptions. As a Board we have therefore made the assumption that as a minimum we need to ensure that current spend on the use of agency nurses, Staff bank and other overspends are seen as the total cost of providing safe care in the Board area. There are other factors as set out below which may also need to feature within our financial modelling.

2. If applicable, do you believe your comments on the financial assumptions have been accurately reflected in the FM?

3. Did you have sufficient time to contribute to the consultation exercise?

Yes

Costs

4. If the Bill has any financial implications for your organisation, do you believe that they have been accurately reflected in the FM? If not, please provide details.

The Financial Memorandum (FM) sets out some detail around the financial implications from implementing the Bill, in relation to developing tools, training etc. It does not however make any specific estimates around the financial consequence to Boards arising from a potentially re-calibrated safe staffing level, rather it states that there is unlikely to be any additional cost arising due to safe staffing and workforce tools already being in place. Whilst this assessment is not unreasonable, it has not been fully tested, and will be significantly dependent on the determinations from any new tools which are developed from the Bill’s implementation.

Although not in the Bill it would be beneficial and supportive if the role of the senior charge nurse could be considered as a supervisory / non case load holding role. This would incur costs but the benefits of this would significantly enhance the implementation of the legislation at a local level and provide the right professional and managerial support for safe staffing. A local pilot in Lothian demonstrated positive outcomes including a reduction in the level of concerns raised, improvements in Care Quality Indicators, more timely management of clinical, performance, organisational issues, significant change in work-life balance, a reduction in stress and a renewed sense of enthusiasm for their role. These outcomes suggest that the benefits would outweigh the potential costs.
In addition there is also discussion in relation to the adequate training and development of nursing staff in relation to workforce planning tools and effective implementation of these tools, as well as wider education and training costs. These costs have not been worked through so may bring an additional cost to bear. Lothian invested significantly in the first iteration of the NMWWPP toolkit, running face to face training sessions for groups of staff and has continued to include the NMWWP tools in the Excellence in Care training programme currently provided to band 7, 6 and aspiring senior staff.

In addition the cost of training finance managers, HR managers and other senior service / operational managers should be considered as an additional cost to Boards.

5. Do you consider that the estimated costs and savings set out in the FM are reasonable and accurate?

Whilst there is evidence of detailed consideration given to costs associated with the introduction of the Bill, the financial memorandum is less clear about the opportunities for financial savings. Examples of case studies where savings have been generated are included within the FM, however these provide only anecdotal evidence of cause and effect.

To truly understand the opportunities for savings we believe that the legislation and any amendments have to be confirmed and we then need to understand the consequences of this, such as the comments made in answering question 4 above. As a Board we are currently reviewing the workforce planning tool outputs and considering these along with the requirements in the legislation for their 2019/20 financial and workforce planning assumptions.

6. If applicable, are you content that your organisation can meet any financial costs that it might incur as a result of the Bill? If not, how do you think these costs should be met?

The answers to question 2 and 5 above relate here. Scottish Government have made a short term commitment to support Boards in running, analysing and implementing the outputs from the workforce planning tools and this is to be welcomed but there may be additional costs that we may identify through the process as the Bill becomes final and the fuller implications are understood.

The process in NHS Lothian mirrors the national process, with an annual calendar for the completion of tools. However staffing levels will need to be adjusted to accommodate the impact of service changes linking to the 2020 vision and the regional agenda may mean that the acuity of patients in some areas will continually change and that more patients will be cared for in their own home e.g. end of life care, Intro Venous antibiotics etc. Therefore the costs may not be directly attributable to the safe staffing legislation but to other drivers with alternate funding streams.

One area of concern is the predicted absence allowance, currently nationally guided at 22 1/2 % for all 24/7 areas. As the balance of care shifts we need to consider how to fund community services with a predicted absence allowance to maintain consistent safe levels of staffing. We have to consider that these tools are not only for inpatient areas.
7. Does the FM accurately reflect the margins of uncertainty associated with the Bill's estimated costs and with the timescales over which they would be expected to arise?

This is work in progress and we would caveat this with answers and issues raised to the questions above. One unknown is the potential impact on boards that may fail to meet safe staffing levels and the escalation process. The latter will be important to understand both in terms of what actions, and indeed sanctions may be placed on Boards and the financial consequences of this.

Wider Issues

8. Do you believe that the FM reasonably captures any costs associated with the Bill? If not, which other costs might be incurred and by whom?

As previously stated, the FM includes detailed work undertaken in the assessment of costs to be incurred in applying the new legislation in relation to input costs. It is less clear about the costs associated with this legislation being in place and the concomitant costs of staffing services to a level that is determined as a “safe” under this legislation and its emerging tools. Health Boards may yet be impacted by additional nursing costs in the future, dependent on how these workforce tools are calibrated. This remains a risk to all health boards.

At this stage issues relating to potential supervisory/non case holding status of senior charge nurses; training and education costs; capacity to undertake effective workforce and workforce tools; the ability to recruit and retain staff as well as the need to ensure that we gain the full benefit of the additional student nurse numbers being recruited will all have a positive impact. The application of the legislation to the Care Home sector may also bring an additional pressure to Health Boards in the form of competition for qualified nursing staff, which is as yet not fully understood.

The FM refers to costs to develop new tools but does not identify what these would be – from a Lothian perspective we would be keen to see tools developed in relation to prison healthcare, outpatient services, sexual health services, CAMHs (multi professionally) and a set of tools to allow modelling of new services. If these are not on the funded work plan over the 5 years then these additional costs need to be considered.

9. Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation? If so, is it possible to quantify these costs?

It is too early to say at this stage but issues raised above, such as the supervisory Charge Nurse / non caseload holding Team leader will relate here.