

Draft Budget 2018 - 19
Royal College of Nursing Scotland

Background

At a time when budgets and resources are stretched, and ever increasing demands are being placed upon Scotland's health and social care services, it is imperative that funding decisions are taken in a wholly transparent manner, and that their success or otherwise can be scrutinised in a meaningful way. The RCN has said for a number of years that difficult decisions will have to be made about how and where money is invested.

The RCN's 2016 manifesto ahead of the Scottish Parliament elections called for MSPs to support the creation of a set of clear, consistent and transparent criteria to be used when MSPs or government take any decision on health care funding. RCN believes that having a shared set of principles on which to base funding decisions would support MSPs to make the difficult but necessary choices around health and social care funding, as well as allowing for rigorous scrutiny. Given the work being led by Professor Cam Donaldson to develop a framework for making difficult healthcare decisions which integrates economics, decision-analysis, ethics and law it may be helpful for the Committee and stakeholders to have an update on this work.

The RCN has called for a root and branch review of the target culture within the NHS which is often skewing political priorities, wasting resources and focusing energy on too many of the wrong things. The review on targets being led by Sir Harry Burns is still to report.

Do you consider that the Scottish Government's health and sport budget for 2017-18 reflects its stated priorities (as set out in the National Performance Framework, the LDP standards and the National Health and Wellbeing Outcomes)? If not, how could the budget be adjusted to better reflect priorities?

There needs to be absolute clarity from the Scottish Government on exactly what the priorities are so that health and social care services are able to plan accordingly. At present the confused market of HEAT targets, standards, outcomes, regulatory frameworks, strategic priorities and guidance, all of which can be seen to determine priorities, are pulling service providers in different, often competing, directions.

On the National Performance Framework, the RCN would point specifically to the aspirations for longer healthier lives and reducing inequalities. ISD statistics published in February 2017 showed a 33.5% decrease in the mortality rate for cerebrovascular disease over the last decade. Whilst this is to be welcomed, it is of real concern that the figures highlighted that in 2015 the mortality rate for cerebrovascular disease in the most deprived areas was 42.3% higher than in the least deprived areas. The statistics also show a much lower uptake of bowel screening in the most deprived areas (44.2% compared to 66.2% in the least

deprived areas); increased risk of cancer deaths for prostate, breast, liver, colorectal and head and neck cancers; and higher rates of developmental concerns for children at their 27-30 month review (1 in 4 compared to 1 in 9 in the least deprived areas). The RCN would hope the see future Budgets address, directly, the need to reduce these stark inequalities.

In spite of commitments to invest in prevention and shift the balance of care to community settings, to meet the aims of people across Scotland living healthier lives and reducing inequalities, the most high profile HEAT targets continue to focus attention on hospital services, and NHS boards are under huge pressure to meet these core targets and standards.

In relation to the National Health and Wellbeing Outcomes, the RCN would point specifically to Outcomes seven, eight and nine. Namely that 'people using health and social care services are safe from harm' (outcome seven); 'People who work in health and social care services feel engaged with the work they do and are supported to continuously improve the information, support, care and treatment they provide' (outcome eight); and 'resources are used effectively and efficiently in the provision of health and social care services' (outcome nine).

Outcomes seven and nine could better be met by focusing future budgets on staffing for safe and effective care. ISD statistics published in June showed that in 2016/17 bank nursing and midwifery staff provided 4,364 WTE of cover, an increase of 77 WTE (1.8%) on the previous year. Agency nursing and midwifery staff provided 278 WTE of cover - a slight increase of 1 WTE (0.4%) on the previous year. Overall NHS Scotland spent a total of £166.5 million on nursing and midwifery bank and agency staff during the latest financial year - an increase of £8.4 million (5.3%) in comparison to 2015/16.

The RCN has recently concluded a consultation with nurses and health care support workers on issues of safe staffing, here the RCN offers some preliminary headlines from the survey - the RCN will publish a more detailed analysis of the many quantitative and qualitative responses later in the summer to continue its work to inform and shape safe staffing legislation constructively. The consultation received over 30,000 responses, with over 3,300 from Scotland. From nursing staff responding in Scotland, just over a third reported the use of bank and agency staffing during their most recent shift, with supplementary staffing on average accounting for around one in eight of the workforce on that particular shift. Respondents also reported insufficient staffing and the impact of this on patient care with half of those responding in Scotland reporting that patient care was compromised on their last shift. When describing what had impacted on the ability to deliver high quality care, one third reported not enough registered nurses and a quarter reported there were not enough health care support workers. Nearly half reported they had concerns about the skill mix (which may also include staffing beyond nursing) on their last shift/day of work.

There needs to be recognition of the fact that people are the NHS' greatest resource and that investment in workforce will have a positive impact for patients, as well as seeing improvements in areas like sickness rates and retention.

Outcome eight would be better served by recognising the link between staff pay, pressure, and the ability of staff to deliver the quality of care that they would wish to. The RCN recognises the Scottish Government's commitment to scrapping the 1% pay cap for NHS staff, but unless staff are appropriately remunerated, as well as being given the time and support to develop, issues around recruitment and retention within nursing teams will persist.

For the health and sport budget for 2018-19 where do you suggest any additional resources could be most effectively deployed and where could any further savings be found? What evidence supports your views?

Investment in primary care and the primary care workforce will ensure that the NHS is put on a sustainable footing for the future whilst also meeting the Government's 2020 vision for care at home and the clinical strategy. Such investment will also help to ensure that Integration Authorities are able to deliver the outcomes which have been set for them. There are numerous instances of services being planned within Integration Authorities which require a healthy community nursing workforce team. It is then a great cause for concern that vacancy rates are high, and that Scotland is not training enough nurses to meet future demand.

At the start of February 2017, RCN Scotland undertook a review of discussions and decisions around community nursing in Integration Authority board papers. That review identified some key concerns. It showed, for example, that many areas are struggling to recruit community nursing staff and/or are holding nursing vacancies open, often using this salary saving to fund other overspends such as equipment costs. In some areas there are proposals to cut registered nursing posts. Audit Scotland's report on the NHS in Scotland in 2016 also highlighted the high levels of vacancies in district nursing, health visiting and school nursing as well as a significant issue with retirements in the community nursing workforce with one in two nurses aged 50 or over in 2016 (compared to one in three in the acute sector).

There is also a need to have a system which allows for resources to be reviewed and deployed, with reasonable speed, in line with major changes in national direction, such as, for example, the new GP and Care Home contracts planned for April 2018.

Using unaudited figures supplied to the Scottish Government by NHS boards in their Financial Performance Returns it is clear that there has been a significantly worsening position on NHS Scotland's recurring position at year end. At the end of 2015-16 the 14 territorial boards reported a £32m overspend on recurring budgets, with 7 boards overspending. In 2016-17 boards reported to the Scottish Government a £205m overspend on recurring funds, with 11 boards overspending. Whilst overall the NHS territorial boards met financial year end targets on revenue resource limits,

this was only possible through significant underspends on non-recurring funds. The pressure on boards to achieve sustainability is becoming ever greater.

In the 2016-17 financial year, 46% of the 176 risks identified by NHS territorial boards in their Local Delivery Plans (LDP) were classed as high risk. The top six high-rated risks noted were prescribing (11 boards), efficiency savings (9 boards), targets (6 boards), locum costs (5 boards), integration (5 boards) and delayed discharge (5 boards).

The risk acknowledged by 9 boards of achieving sustainable, recurring efficiency savings has also been highlighted in the Auditor General's Annual Overview. Unpicking unaudited reports of savings achievement is not always easy as some boards appear to have made significant in year adjustments on planned allocation of savings between recurring and non-recurring sources. However, looking at 2016-17 year-end Financial Performance Reports supplied to the Scottish Government, NHS Scotland territorial boards appear to have expected to have missed their original recurring savings projections (as set in their LDP, rather than as adjusted mid-year) by nearly £64m. The RCN is keen to see how the Auditor General reflects on the audited position on recurring efficiency savings in this autumn's Annual Overview.

The RCN has concerns about how ongoing, and accumulating, requirements to find recurring efficiency are being handled between NHS boards and Integration Authorities, to whom significant amounts of NHS budget are delegated.

Is sufficient information available to support scrutiny of the Scottish Government's health and sport budget? If not, what additional information would help support budget scrutiny?

The RCN does not believe that there is sufficient information available for thorough scrutiny. There needs to be greater transparency so that specific investment and Budget lines can be tracked year to year. Recently, there has been a tendency to roll lines together to make whole new lines with no breakdown of their previous make up provided. It is also important that level 4 detail is provided as standard at the time of publication.

The RCN does not believe that it is possible to make direct correlations between national allocation proposals in the draft budget and the improvements in outcomes set as national priorities. Integration and the interdependence between health and social care spend adds further complexity to the scrutiny process – this is particularly the case given that local settlements are made in delegating NHS and local authority budgets and, as such, integration spending cannot be tracked from the national budget.

The RCN has repeatedly raised concerns about the unintended consequences of insisting that NHS boards balance their books and make significant savings on an annual basis, without consideration of the longer-term picture. This fails to give boards sufficient flexibility to transition to new models of care through investing to

save. The Scottish Government should consider giving boards permission to move to a budgeting system which would allow for this greater flexibility. Audit Scotland's report on the NHS in Scotland in 2016 also noted the negative impact of short-term financial planning on achieving a sustainable health service.

What impact has the integration of health and social care budgets had on ensuring resources are directed at achieving the Scottish Government's desired outcomes?

There is evidence that Integration Authorities are struggling to balance their books with some still noting the need to identify significant savings for this financial year. As set out in response to question two, some Integration Authorities are using community nursing salary underspend, created through vacancies, to prop up overspends in their wider budgets.

Integration Authorities are having to manage the competing demands of budget restraint now with the long-term implications of efficiencies. Trying to transform health and social care services within available funds, to ensure that demand can be met now and into the future, is creating significant challenges. There are also tensions between some Integration Authorities, NHS boards and local authorities on the sums being delegated and the way savings are being handled. The RCN will be completing its own analysis of Integration Authorities' performance to date on key issues for nursing and patient care. This analysis will be published in the autumn and the RCN would be pleased to share its findings with the Committee at that time.